



CROMWELL
PROPERTY GROUP

CROMWELL DIRECT PROPERTY FUND

ARSN 165 011 905 | APIR Code CRM0018AU

PRODUCT DISCLOSURE STATEMENT

DATED 17 NOVEMBER 2020

Issued by Cromwell Funds Management Limited
ABN 63 114 782 777 | AFSL 333214

Contents

Chair's Letter	3
Key Features	4
1. Fund Overview	6
2. Investment Manager	12
3. Investment Portfolio	13
4. Investment Risks	14
5. Fees & Other Costs	18
6. Taxation Information	26
7. Applications & Withdrawals	29
8. Investment Services	31
9. Additional Information	33
10. Glossary	36

Contact

For the answer to any questions you have regarding this Fund, please contact your financial adviser or Cromwell's Investor Services Team:

 1300 268 078

 invest@cromwell.com.au

 www.cromwell.com.au/dpf



IMPORTANT NOTICE AND DISCLAIMER

Cromwell Funds Management Limited ABN 63 114 782 777 ("CFM") holds Australian Financial Services Licence number 333214 and is the responsible entity of the Cromwell Direct Property Fund ARSN 165 011 905 ("the Fund"). CFM is the issuer of this Product Disclosure Statement ("PDS") and the units offered in this PDS. This PDS is dated 17 November 2020.

CFM is a subsidiary of Cromwell Corporation Limited ("CCL"). Cromwell Property Group comprises Cromwell Corporation Limited and the Cromwell Diversified Property Trust ("DPT") (the responsible entity of which is Cromwell Property Securities Limited ("CPS")). Cromwell Property Group is an ASX-listed stapled security (ASX: CMW).

Neither CFM, its related entities, directors nor officers make any promise or representation, or give any guarantee as to the success of the Fund, the amount (if any) of distributions, the amount (if any) you will receive on withdrawal, the income or capital return, or the taxation consequences of investing in the Fund.

This offer is only open to persons receiving this PDS as a hard copy or electronically within Australia.

The information contained in this PDS is general information only and does not take into account your individual objectives, financial situation or needs. Investors should read this PDS carefully and assess whether the information is appropriate for them in respect of their objectives, financial situation and needs, before making any decision about whether to acquire units in the Fund. We encourage investors to consult a financial or other adviser before making an investment decision.

In this PDS, an administration service or an investor directed portfolio service such as a wrap account, master trust or nominee service, is referred to as an "IDPS". CFM consents to the use of this PDS by IDPS operators that include the Fund on their investment menu.

The information in this PDS is up to date at the time of preparation. However, some information can change from time to time. Information (including changes to information contained in this PDS) that is not materially adverse may be updated and made available at www.cromwell.com.au/dpf, and a paper copy of any updated information will be provided by CFM free of charge upon request.

This PDS may be accessed at www.cromwell.com.au/dpf. If an investor has received this PDS electronically, CFM will provide a copy free of charge upon request to Cromwell's Investor Services Team on 1300 268 078.

An investment in the Fund is subject to investment and other risks, including those risks set out in Section 4.

The PDS contains forward looking statements relating to future matters which are subject to known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the Fund to be materially different from those expressed or implied by such statements.

The Australian Securities and Investments Commission ("ASIC") takes no responsibility for the contents of this PDS.

CFM may change any of the terms and conditions of this PDS at any time, and, in the case of material changes, with 30 days' notice to investors. Other than the front and back cover, all pictures of assets are buildings in which the Fund has invested or has an agreement to invest in at the date of the PDS.



“This award-winning fund allows investors to share in the rental income generated by a quality property portfolio.”



Paul Weightman, Chair,
Cromwell Funds Management Limited

Chair’s Letter

Dear Investor,

The objective of the Cromwell Direct Property Fund is to provide investors with a monthly tax advantaged income stream from a diversified portfolio of Australian commercial properties.

The Fund owns properties directly and also via investment in a number of unlisted Property Trusts. The portfolio has an impressive weighted average lease profile and generates strong, stable rental income predominantly from blue chip and Government tenants.

The Fund’s strict investment criteria has been designed to ensure that, as the portfolio grows, it retains the characteristics that make it an award winning fund – long leases, stable income and diversification by property asset class and geography.

Over the medium to long term, we expect the portfolio to generate capital growth. To ensure you benefit from this potential, the recommended minimum investment period is five years. A full withdrawal opportunity is intended to occur every five years, with the first such opportunity having been successfully completed in July 2020, under which less than 10% of issued capital was redeemed. The next full withdrawal opportunity is expected to occur in July 2025, and then each subsequent five years thereafter. The Fund also retains a small percentage of cash holdings to provide limited monthly withdrawals just in case your circumstances change.

With over 22 years’ experience as a property investment fund manager, Cromwell understands the role that stable income generating property plays in people’s investment portfolios. SMSF and retail investors are able to invest in the Fund (subject to their own investment criteria).

In considering an investment in the Fund, please read this PDS carefully and consult your financial or other adviser to ensure it is appropriate for your objectives, financial situation and needs.

Yours faithfully

Paul Weightman
Chair
Cromwell Funds Management Limited

Key Features

Investment Overview	Section
Investment Objective	1.1
The Cromwell Direct Property Fund ("Fund") aims to provide investors with a monthly tax advantaged income stream combined with the potential for capital growth through investing in a diversified portfolio of quality property assets.	
Responsible Entity	2.2
Cromwell Funds Management Limited ("CFM").	
Suggested Investment Timeframe	1
5 years.	
Investment Portfolio	3
The Fund owns a diversified portfolio of Direct Property and Property Trusts. Over time, as CFM acquires or sells assets consistent with its investment strategy, the specific assets comprising the Fund's investment portfolio will change.	
Up to date information on the Fund's investment portfolio is available from www.cromwell.com.au/dpf .	
Periodic Withdrawal Opportunities	1.11
The next Periodic Withdrawal Opportunity will occur on or around 1 July 2025 and every five years thereafter.	
Borrowing Policy	1.7
The Fund will only borrow against Direct Property and will limit gearing to no more than 50% of the value of total Direct Property.	
The Fund limits Look-Through Gearing, which includes all underlying Property Trusts' borrowings, to no more than 50%.	
Distribution Payments	1.6
Approximately 12 days after the end of each month	
Investment Risks	4
As with all investments, an investment in the Fund is subject to risks. CFM aims, where possible, to actively manage risks. However, some risks are outside the control of CFM. If these risks eventuate, they may result in reduced distributions and/or reduce the capital value of an investment in the Fund.	
Performance Benchmark	1.3
PCA/MSCI Unlisted Retail Property Fund Core Index.	
Performance & Reporting	1.9
A report detailing the Fund's performance and strategy will be provided to all investors after the end of each quarter. These reports, along with updates and performance information, will be published on the Fund's web page www.cromwell.com.au/dpf .	

Investment Details	Section
Minimum Initial Investment	7.1
Minimum Additional Investment	7.1
Reinvestment Option	1.6
Unit Price	1.10
Fund Withdrawals	7.4 4.3.5
Minimum Withdrawal	7.4
Minimum Balance	7.4

1. CFM reserves the right to vary minimum amounts. Indirect investors should contact their IDPS operator for minimum transaction and balance requirements, reinvestment policies, fees and costs and other information.

Fees & Other Costs²	Section
Management Fees	5
Other Costs	5
Performance Fee	5
Acquisition Fee	5

2. Summary of material fees and costs only (see Section 5: Fees & Other Costs).

1. Fund Overview

1.1 Investment Objective

The Fund aims to provide investors with a monthly tax advantaged income stream and has the potential for capital growth. The Fund aims to deliver a total return (after fees) in excess of the PCA/MSCI Unlisted Retail Property Fund Core Index over rolling 3 year periods.

1.2 Investment Strategy

The Fund invests in Direct Property and Property Trusts. The Fund invests in non-residential Australian property, with a primary focus on commercial, industrial and retail property. The Property Trusts invested into may be operated by Cromwell or other managers.

The Fund and its sub-trusts may also hold cash where CFM considers it prudent, including to cover Fund withdrawals or while CFM is considering new investment opportunities.

CFM will look to deliver on the Fund's investment objective by acquiring assets that provide investors with diversification and access to a strong income stream, with tax deferred income.

Over time, as CFM acquires or sells assets, the Fund's investment portfolio will change.

The Fund may increase or decrease the amounts invested in Property Trusts over time.

1.3 Investment Philosophy

CFM looks to enhance overall investment returns and reduce risk by thoroughly understanding property markets and macro-economic conditions and investing and divesting at opportune times in each market and the wider economic cycle. CFM will look to maximise the rental income from each property by purchasing Direct Property or interests in Property Trusts that have reliable cash flow. Cromwell has a team of property professionals that analyse property markets across Australia with a view to investing in Direct Property that will benefit from strong demographics with local and/or international demand.

PERFORMANCE BENCHMARK

The performance of the Fund is measured against the PCA/MSCI Unlisted Retail Property Fund Core Index ("Benchmark"), which measures total returns of a number of pooled property funds which hold Australian property investments and are offered to retail investors. The index is considered to be an appropriate benchmark for the Fund, because it replicates the performance of a large and diverse portfolio of Australian direct property trust investments managed by a selection of many of the largest property fund managers in Australia.

LABOUR STANDARDS AND ENVIRONMENTAL, SOCIAL AND ETHICAL CONSIDERATIONS

CFM does not directly take into account labour standards, environmental, social or ethical considerations in selecting or managing the Fund's investments.

However, Cromwell Property Group has an overarching sustainability framework, through which it manages material Environmental, Social and Governance (ESG) risks and opportunities. Information in relation to this framework is available at: www.cromwellpropertygroup.com/sustainability. Although this framework does not form part of the Fund's investment criteria, it may from time to time have an indirect impact in relation to the Fund's investments and how they are managed.

THOROUGH DUE DILIGENCE

Cromwell has a rigorous due diligence process. Each property asset, its financial position, its debt arrangements and its manager (where applicable) are assessed by CFM when considering its compatibility with the overall portfolio.

PROPERTY DUE DILIGENCE

- Technical & legal due diligence
- Tenant quality and lease covenants
- Potential for asset enhancement
- Quality of cash flows
- Market analysis

BORROWINGS

- Quality of financier
- Level of gearing
- Terms of debt facility in place and refinancing options
- Interest rate risk management

EXTERNAL MANAGER

- Corporate governance
- Capability and performance history
- Financial stability
- Ability to add value over the medium to long term

PORTFOLIO CONSTRUCTION

- Predictable near-term cash flow
- Government and high quality tenants
- Aim for a 5 year minimum WALE
- Level of tax deferred income
- Australian capital cities and major regional centres

1.4 Summary of ASIC Benchmarks and Disclosure Principles

ASIC Regulatory Guide 46 Unlisted property schemes: Improving disclosure for retail investors ("RG 46") sets out six benchmarks and eight disclosure principles that unlisted property schemes, such as the Fund, must address to help ensure that you have the information to make an informed investment decision.

The information below provides an overview of the benchmarks and disclosure principles. Further information on how these apply to the Fund is contained in the 'ASIC Benchmarks and Disclosure Principles: Cromwell Direct Property Fund' document. Please read this PDS in conjunction with the most current 'ASIC Benchmarks and Disclosure Principles: Cromwell Direct Property Fund' document, which is available online at www.cromwell.com.au/dpf, or can be obtained free of charge, on request.

- Gearing – this illustrates to what extent an unlisted property trust is financed by debts (liabilities) (see also 'Fund Gearing', Section 1.7).
- Interest cover – this discloses the ability of an unlisted property trust to meet its interest payments from its revenue or earnings.
- Interest capitalisation – this indicates whether a property trust's interest expenses are capitalised (this means added to the principal amount), or whether the unlisted property trust meets interest payment obligations from its earnings.
- Scheme borrowing – this is information about the credit facilities of an unlisted property trust, including what type of events will cause a breach of the credit facilities.
- Portfolio diversification – this addresses an unlisted property trust's portfolio of property assets, including how this is diversified (see also 'Investment Portfolio', Section 3).
- Valuations – this addresses how an unlisted property trust obtains valuations for its real property assets, including the frequency of valuations.
- Related party transactions – information is provided on transactions that the responsible entity has with parties with whom it has a close relationship.
- Distribution practices – this addresses an unlisted property trust's practices for paying distributions, and the source of funds for the distributions (e.g. cash or debt) (see also 'Distribution Policy', Section 1.6).

- Withdrawal arrangements – this is information on the rights of investors to withdraw from an unlisted property trust, including any conditions that may be attached to the withdrawal (see also 'Limited Withdrawal Opportunities', Section 1.11, and 'Withdrawals' in Section 7.4).

The information in the 'ASIC Benchmarks and Disclosure Principles: Cromwell Direct Property Fund' document is up to date at the time of preparation. However, some information can change from time to time. Information that is not materially adverse may be updated and made available at www.cromwell.com.au/dpf. A copy of any updated information will be provided by CFM free of charge upon request by calling Cromwell's Investor Services Team on 1300 268 078.

1.5 Investment Portfolio

Over time, as CFM acquires or sells assets consistent with its investment strategy, the specific assets comprising the Fund's investment portfolio will change. Furthermore, the Property Trusts the Fund invests in may also buy, sell or expand on their portfolios, resulting in changes to the Fund's exposure to various assets.

For further information about the Fund's portfolio, see the 'ASIC Benchmarks and Disclosure Principles: Cromwell Direct Property Fund' document online at www.cromwell.com.au/dpf.

Up to date information on the Fund's investment portfolio is also available from:

- www.cromwell.com.au/dpf;
- Cromwell's Investor Services Team on 1300 268 078; or
- Your financial adviser or (for indirect investors) your IDPS operator.

1.6 Distribution Policy

The Fund is expected to earn income such as rent, distributions, interest and other Australian income from its investments. The Fund may also make capital gains or incur losses from these investments.

It is intended that the Fund will pay distributions sourced from its profits from operations. Over the medium-term, the Fund aims to distribute an amount which is up to 100% of the Fund's expected profit from operations available for distribution (excluding unrealised gains/losses). CFM will estimate profits available for distribution on a regular basis and will pay distributions monthly taking into account that estimate. The Fund expects to distribute taxable income, including its net capital gains, each financial year.

The Fund/CFM will not draw on bank debt for the purpose of paying distributions.

Distributions are calculated in cents per unit and paid generally within 12 days after each month end, based on the number of units held at the end of the relevant distribution period.

Distributions can either be paid directly to your nominated Australian bank account or reinvested in further units in the Fund by completing the relevant section on the Application Form. If no election is made, distributions will be reinvested.

After you have invested, you can change your election by advising CFM in writing. The price of units issued on reinvestment of distributions is the issue price at the end of the distribution period adjusted for any income distributed. CFM will not add a buy spread to the issue price used for direct reinvestment of distributions.

At any time, CFM may notify investors that subsequent distributions will be paid in cash and not reinvested.

CFM does not guarantee any particular level of distributions and there may be periods in which distributions will not be paid.

For further information about distributions, see 'ASIC Benchmarks and Disclosure Principles: Cromwell Direct Property Fund' online at www.cromwell.com.au/dpf.

1.7 Fund Gearing

BORROWING POLICY

Borrowing by the Fund is known as gearing. Repayment of borrowings ranks ahead of investors' interests in the Fund and payment of interest on borrowings must be funded prior to any distributions being made to investors. As a result, the borrowing policy and expiry profile of any borrowing facilities of the Fund are important factors to consider.

There are risks involved in investing in a geared investment vehicle, as gearing magnifies profits, losses, capital gains and capital losses. See "Borrowing Risk" in Section 4.3.2 for further information.

CFM has, and complies with, a borrowing policy for the Fund and its sub-trusts, which outlines the level of gearing and interest cover expected to be maintained. CFM will only borrow against Direct Property.

From time to time, CFM may at its discretion apply some borrowings of the Fund to assist in paying withdrawals, either under the Limited Monthly Withdrawal Facility or as part of Periodic Withdrawal Opportunities.

GEARING RATIO

The Gearing Ratio indicates the extent to which the Fund has used borrowings to acquire assets. The Gearing Ratio gives an indication of the potential risks faced by the Fund as a result of its borrowings due to, for example, an increase in interest rates or a decrease in asset values.

$$\text{Gearing Ratio} = \frac{\text{Total interest bearing liabilities}}{\text{Total assets}}$$

CFM intends to limit borrowings to no more than 50% of the total value of all Direct Property.

The Fund may also be exposed indirectly to gearing because the Property Trusts in which it invests may use borrowings to acquire their properties. CFM periodically calculates the gearing of the Fund taking into account the Fund's share of assets and liabilities of all underlying Property Trusts. This is known as Look-Through Gearing. CFM aims to maintain Look-Through Gearing for the Fund as a whole at no more than 50% and will not acquire any Direct Property or units in any Property Trust that, at the time of acquisition, would result in a Look-Through Gearing Ratio for the Fund above 50%.

For further information about the Fund's borrowings and level of gearing, see 'ASIC Benchmarks and Disclosure Principles: Cromwell Direct Property Fund' online at www.cromwell.com.au/dpf.

Up to date information on the Fund's Look Through Gearing Ratio is also available from:

- www.cromwell.com.au/dpf;
- Cromwell's Investor Services Team on 1300 268 078; or
- Your financial adviser or (for indirect investors) your IDPS operator.

INTEREST COVER RATIO

The Interest Cover Ratio measures the ability of the Fund to meet its interest payments on borrowings from its earnings. The level of interest cover gives an indication of the Fund's financial health. A higher number indicates greater available funds with which to pay interest costs and distributions. It is a key measure of the risks associated with any borrowings which the Fund may have.

$$\text{Interest Cover Ratio} = \frac{\text{EBITDA} - \text{unrealised gains} + \text{unrealised losses}}{\text{Interest expense}}$$

For further information about the Fund's interest cover ratio, see 'ASIC Benchmarks and Disclosure Principles: Cromwell Direct Property Fund' online at www.cromwell.com.au/dpf.

Where the Fund borrows against Direct Property, CFM intends to fund interest payments from income received by the Fund and does not intend to capitalise any interest payments.

CFM periodically calculates a Look-Through Interest Cover Ratio, taking into account the Fund's share of earnings and interest expenses from underlying Property Trusts.

INTEREST RATE HEDGING

Where the Fund borrows against Direct Property, CFM may enter into interest rate hedges in order to provide increased certainty in relation to the Fund's interest expense, through fixing the cost of debt for an agreed period. CFM will also take into account hedging in underlying Property Trusts when considering whether to hedge any direct borrowings in the future.

1.8 Valuation Policy

CFM has, and complies with, a documented valuation policy. Investors can obtain a copy of this policy free of charge upon request.

Where the Fund invests in Property Trusts that are not managed by CFM, the assets held by those trusts are subject to separate valuation policies administered by the manager of that trust. Investments in Property Trusts will be valued in accordance with the Unit Pricing Discretions Policy of the Fund. Refer to Section 1.10 for further detail regarding the Fund's Unit Pricing Discretions Policy.

Where practical, Direct Property, as well as property owned in Property Trusts managed by CFM or another Cromwell entity, will be independently valued each year (or if applicable after the building is completed). All independent valuations will be carried out by appropriately qualified valuers with a minimum of five years relevant experience and membership with the Australian Property Institute. Valuers are instructed to undertake their valuation in accordance with industry standards and to outline their valuation methodology within their valuation report.

For further information about the Fund's valuation policy, see 'ASIC Benchmarks and Disclosure Principles: Cromwell Direct Property Fund' online at www.cromwell.com.au/dpf.

1.9 Fund Performance

Performance and other Fund information is available from:

- www.cromwell.com.au/dpf;
- Cromwell's Investor Services Team on 1300 268 078; or
- Your IDPS operator or financial adviser.

It should be noted that past performance is not a reliable indicator of future performance.

For investments through an IDPS, the net performance of an investment in the Fund may be different from the information published by CFM due to any fees charged or costs and expenses incurred by the IDPS operator.

1.10 Unit Pricing

The value of your investment, which is represented by the value of your units in the Fund, will vary as the market value of the Fund's assets, and its liabilities, rise and fall. The number of units issued to you when you apply for units in the Fund and the number of units redeemed when you withdraw money from the Fund (subject to the withdrawal policy outlined in Section 7.4) will depend on the unit price calculated for the relevant day.

Direct investors can obtain unit prices online at www.cromwell.com.au/dpf, by contacting their financial adviser or calling Cromwell's Investor Services team on 1300 268 078.

Indirect investors can obtain unit prices from their IDPS operator.

UNIT PRICING METHODOLOGY

The issue price is calculated each Sydney business day in accordance with the Fund's Constitution. The withdrawal price is calculated monthly in accordance with the Constitution as at the close of business on the Sydney business day immediately before processing and not when the request is lodged. Investors should be aware of the withdrawal policy outlined in Section 7.4.

To the extent that the Constitution gives CFM discretions with regard to unit pricing, CFM has a Unit Pricing Discretions Policy. You can request, free of charge, a copy of that policy and the record of any discretions exercised outside of the policy by calling Cromwell's Investor Services Team on 1300 268 078.

Unit prices are calculated by:

- determining the net asset value of the Fund, calculated by deducting the value of the Fund's liabilities from the value of its assets. The value of the Fund's assets and liabilities are calculated in accordance with the Constitution and Unit Pricing Discretion Policy;
- for the issue price, dividing the net asset value of the Fund by the number of units on issue and adjusting for the buy spread; and
- for the withdrawal price, dividing the net asset value of the Fund by the number of units on issue and adjusting for the sell spread.

The net asset value of the Fund incorporates:

- where the Fund acquires an asset which is not liquid at the time for an amount greater than its proportionate share of the underlying net asset value, but records the value of the asset at its underlying net asset value rather than its acquisition cost, an amount equal to the difference will be recognised. This amount will be gradually written off on a 'straight line' basis from the time the asset is first acquired until the sooner of five years or the time of the next expected liquidity event for the asset. On entering into an unconditional contract for the sale of all or part of the investment, any remaining amount will be reduced to zero;
- acquisition costs such as acquisition fees, stamp duty, due diligence costs and legal costs. These amounts will be gradually written off on a 'straight line' basis from the time the asset is first acquired until the sooner of five years or the time of the next expected liquidity event for the asset. On entering into an unconditional contract for the sale of all or part of the property, any remaining amount will be reduced to zero; and
- a provision against the value of an asset for the anticipated proportionate costs of selling the real estate asset or, for units in a Trust, the underlying real estate. This provision will be gradually recognised from the time the asset is first acquired until the sooner of five years or the time of the next expected liquidity event for the asset. The provision for any particular asset will be amended to reflect the actual costs of selling the asset once known and reduced to zero once the asset is sold.

In doing this, CFM aims to equitably spread the cost of buying and selling assets to investors in the Fund over time.

The Fund invests in Property Trusts that typically do not publish daily unit prices.

As there is no published unit price available, CFM calculates the value of these units by dividing the value of the Property Trust's net assets from the latest available management accounts by the number of units issued by the Property Trust at that time. Property assets owned by Property Trusts will be valued in accordance with each Property Trust's valuation policy. Where an asset in a Property Trust is under construction and has not yet reached Practical Completion, the purchase contract is yet to be completed or where units are acquired in a Property Trust before the settlement of a property asset, CFM will value its units by dividing the Property Trust's expected net asset value at completion by the expected number of units in the Property Trust on issue at completion.

Direct Property, where acquired by the Fund, will typically be acquired via a sub-trust. Such sub-trusts will not publish daily unit prices. Accordingly, the Fund's units in those sub-trusts will be valued in the same way as outlined above for units in Property Trusts that do not publish daily unit prices.

The Fund's assets will also include accrued income from its investments such as interest and distributions from Property Trusts and sub-trusts.

If the Fund invests in Property Trusts that publish unit prices, then units will be valued at the latest published mid unit price.

The Fund's liabilities will include accruals for fees and expenses. Performance fees are calculated quarterly in arrears and, if a performance fee is payable, the fee will be accrued in the unit price at the time it is calculated.

BUY/SELL SPREADS

The issue price and withdrawal price for managed funds are often adjusted for a buy spread and a sell spread. The buy and sell spreads reflect the amount of transaction costs the responsible entity estimates will be incurred in buying and selling the fund's assets as a result of an application or withdrawal.

The purpose of the buy and sell spreads is to ensure that those investors transacting in a fund's units, at a given time, proportionately bear the fund's costs of buying and selling assets as a result of their transaction.

The buy/sell spread for the Fund at the date of this PDS is nil because the costs of buying and selling the currently held assets in the Fund are, as discussed above, taken into account in calculating the net asset value of the Fund.

1.11 Limited Withdrawal Opportunities

CFM intends to offer investors the opportunity to withdraw all or part of their investment through a Limited Monthly Withdrawal Facility, which is generally limited to 0.5% of the Fund's net asset value per month.

At the end of every five years, CFM intends to offer a full withdrawal opportunity (Periodic Withdrawal Opportunity), where investors can elect to withdraw all of their investment. The first Periodic Withdrawal Opportunity occurred in July 2020.

The Fund invests in Property Trusts and Direct Property. These investments are usually illiquid, as the underlying assets are direct property. As a result, the Constitution allows CFM up to 365 days to process any withdrawal requests (although CFM normally expects to process withdrawal requests under the Limited Monthly Withdrawal

Facility within 15 days after each month's end, by holding a limited portion of the Fund's assets in cash).

If the amount required to meet withdrawal requests in any month exceeds the amount CFM determines to be available, withdrawal requests will only be met pro-rata and the balance will be carried forward to the next month and treated as new withdrawal requests for the unfulfilled amount (unless the request is withdrawn by the investor). Further information on withdrawals is in Section 7.4.

Further information on the Fund's liquidity risk is in Section 4.3.5.

For further information about withdrawals, see 'ASIC Benchmarks and Disclosure Principles: Cromwell Direct Property Fund' online at www.cromwell.com.au/dpf.

1.12 Indirect Investors

Investors may invest in the Fund indirectly through an IDPS.

Indirect investors may rely on and are authorised to use the information in this PDS to direct the operator of the IDPS to invest in the Fund on their behalf. Indirect investors

do not become unitholders in the Fund and accordingly do not acquire the rights of direct investors, which are instead acquired by the IDPS operator. The IDPS operator can exercise, or decline to exercise, the rights they hold in relation to the Fund on their clients' behalf according to the arrangements governing the IDPS. Investors who invest in the Fund through an IDPS should note that some information in this PDS may be relevant only for direct investors.

As noted above, if the amount required to meet withdrawal requests in any month exceeds the amount CFM determines to be available, withdrawal requests will only be met pro-rata as outlined in Section 7.4.

The unfulfilled part of any withdrawal request made by an IDPS operator under the Limited Monthly Withdrawal Facility will not be carried forward to the next month (unless a specific request is received from the IDPS operator). In such circumstances, the IDPS operator will need to submit a new withdrawal request for the unfulfilled amount by 1.00pm AEST (or AEDT when observed) on the last business day of the following month.

420 Flinders Ave, Townsville



2. Investment Manager

2.1 Cromwell Property Group

Cromwell Property Group (ASX:CMW) (Cromwell) is a Real Estate Investor and Manager with operations on three continents and a global investor base. As at 30 June 2020, Cromwell had a market capitalisation of A\$2.4 billion, a direct property investment portfolio in Australia valued at A\$3.0 billion and total assets under management of A\$11.5 billion across Australia, New Zealand and Europe.

Cromwell is included in the S&P/ASX 200 and the FTSE EPRA/NAREIT Global Real Estate Index.

2.1.1 INTEGRATED PROPERTY MANAGEMENT

Cromwell's property focus enables it to provide its managed funds with a full suite of property related services including transaction sourcing, due diligence, property management, leasing, asset enhancement and realisation.

Many competitors outsource responsibility for the day-to-day management of their properties, whereas Cromwell actively manages all Australian property assets in-house, creating a link between investors, the assets and their tenants. This integrated property management model is one of Cromwell's key competitive advantages.

The asset management team oversees the strategy for each property, aiming to ensure that tenants are content, space is leased, buildings are operating efficiently and projects are delivered on time and on budget. By keeping these functions in-house, Cromwell ensures that assets are managed in accordance with the interests of investors and to the expectations of tenants.

As responsible entity of the Fund, CFM seeks to build on these disciplines in its management of the Fund in order to identify quality opportunities in both Direct Property and Property Trusts for the benefit of investors.

2.1.2 PERFORMANCE

Cromwell's focus is on delivering superior long term property and investment performance.

Information on the performance of Cromwell is detailed in the most recent annual report available from www.cromwellpropertygroup.com.

2.1.3 SUSTAINABILITY

Cromwell Property Group is committed to acting responsibly and proactively to continuously improve our sustainability performance and to support a balanced pathway to sustained business success.

Details of Cromwell Property Group's sustainability framework, management approach, performance targets, approach to climate change and annual sustainability reports (current and previous) can be found at www.cromwellpropertygroup.com/sustainability.

2.2 Cromwell Funds Management

CFM specialises in the creation, structuring, marketing and management of unlisted property related investment opportunities.

CFM is the responsible entity of the Fund.

In addition to CFM's funds management capabilities, it also utilises the in-depth property knowledge and experience of Cromwell to maximise the performance of its unlisted funds.

CFM has a strong customer service focus. Investors can speak to Cromwell staff directly about their investments and information on performance and activities is communicated quarterly.

CROMWELL INVESTOR SERVICES

For the answer to any questions you have regarding the Fund, please contact your financial adviser or Cromwell's Investor Services Team on:

 1300 268 078

 invest@cromwell.com.au

 www.cromwell.com.au/dpf



3. Investment Portfolio

CFM aims to grow the Fund's investment portfolio, consistent with the Fund's investment strategy.

The Fund's investments will therefore change from time to time.

Up to date information on the Fund's investment portfolio is available from:

- a) www.cromwell.com.au/dpf;
- b) Cromwell's Investor Services Team on 1300 268 078; or
- c) Your financial adviser or (for indirect investors) your IDPS operator.

As at the time of issue of this PDS, the world is experiencing the COVID-19 pandemic. Any up to date information in relation to the impact of these events and any measures CFM has implemented as a result, is also available from the sources set out to the left.



4. Investment Risks

An investment in the Fund is subject to various risks. The risks outlined in this section are not exhaustive, but CFM considers them to be the key risks of investing in the Fund. If these risks eventuate, they may result in reduced distributions and/or a loss of some or all of the capital value of an investment in the Fund.

Where applicable, information is included on how CFM aims to manage these risks. However, risks cannot be avoided altogether and some risks are completely outside the control of CFM.

A potential investor should read and consider the entire PDS (including the risks contained in this section) and their attitude towards risk in general when considering an investment in the Fund.

4.1 Diversification Risk

Except for prudentially regulated investments and Australian government bonds (which tend to offer very low yields relative to other investment options), having all, or a substantial portion of your investment capital in one investment can be a very risky strategy. This is because all investments are at risk of falling in value or underperforming at various stages in the investment cycle, even when the market or economy as a whole is doing well. If you only make one investment, and that investment falls in value, then you have no returns from other investments to potentially offset your loss.

Although all investments involve some risk, that risk may be managed by:

- Investing smaller amounts regularly to reduce the risk of investing everything just before a market drops;
- Spreading investments across different kinds of investment choices (such as shares, property, bonds and cash) to help reduce the risk of being in the wrong market at the wrong time;
- Spreading money across shares in different companies, different properties and different industries to reduce the risk of losing heavily on a single investment; and
- Dividing money between a number of investment managers to reduce the risk that the one investment manager you pick performs poorly.

Spreading your investments in this way is known as 'diversification' and is a very common way to manage investment risk.

The Fund will aim to provide diversification by investing in multiple locations across Australia, by investing over multiple leasing time-frames, and by investing in a variety of sub-sectors of non-residential property such as office,

industrial and retail property. Over time, CFM will aim to continue to expand the diversification of the Fund. However, the Fund will remain focused on investing in non-residential property and as such does not offer diversification outside this asset class.

CFM encourages investors to reduce investment risk through diversification and to invest an appropriate portion of their available investment capital into the Fund.

4.2 Property Risks

These property risks relate to investments in Direct Property and Property Trusts.

4.2.1 PROPERTY RISK

Many factors can affect the property market generally as well as individual properties to which the Fund has exposure. These factors will impact both the valuations of property investments from time to time as well as their performance over time. They include the quality of properties, geographic location of properties, changes to current and expected future income, development, unforeseen capital expenditure, tenant quality and financial standing, inadequate insurance or the occurrence of uninsurable events, environmental and contamination risks and supply and demand in property markets. If the value or income of properties to which the Fund has exposure does fluctuate over time, this movement may materially impact net assets and/or profits available for distribution by the Fund.

4.2.2 SETTLEMENT RISK

Over time, the Fund will purchase properties, and as such purchase contracts will be entered into by CFM or a related entity, for properties' acquisition. There is a risk that the acquisition of properties may not settle when expected. This may impact the Fund's performance.

4.2.3 TENANCY RISK

The Fund's income is dependent upon tenants in the properties in which the Fund invests paying rent in accordance with their lease terms. There is a risk that tenants may default on the terms of their lease, which could result in a reduction in income and/or additional expenses associated with re-leasing the tenancy. If that is the case, the net assets and/or profits available for distribution by the Fund may be materially reduced.

CFM aims to manage these risks to the extent possible, through active property management, including regular contact with tenants, strong arrears management procedures and utilising professional leasing agents to actively manage any vacancies.

4.2.4 DISASTER AND INSURANCE RISK

Disasters such as natural phenomena, acts of god and terrorist attacks may damage or destroy properties. It is not possible to insure the properties against some of these events. The performance of the Fund may be adversely affected where losses are incurred on Direct Property or in Property Trusts due to uninsurable risks, uninsured risks or under-insured risks. Further, any failure by an insurer or re-insurer may adversely affect the ability to make claims under an insurance policy. This could materially impact the net assets and/or profit available for distribution by the Fund.

Further, unforeseen factors may result in the insurance cover being inadequate or the cost of the insurance premiums being in excess of those forecast. This could also materially impact the profit available for distribution by the Fund.

CFM aims to manage these risks to the extent possible by maintaining appropriate insurance cover in respect of the Fund's Direct Property (or in the case of Property Trusts, requesting evidence that appropriate insurance is in place) and reviewing that cover not less than annually.

4.2.5 PANDEMIC RISK

As at the time of issue of this PDS, the world is experiencing the COVID-19 pandemic, a global event unprecedented in modern times. The precise further impact this pandemic may have upon the broader economy and the potential flow-on effects on the Fund are not yet known. The impact on businesses to date has varied significantly.

The Fund's income is dependent upon its tenants paying their rent, in accordance with their leases. Depending on the nature of a tenant's business, there is a risk that events such as pandemics will adversely impact the ability of some tenants to meet their financial obligations. This could result in the Fund, as a commercial landlord, providing temporary relief to some tenants.

There is always a risk that in the future, there may be additional pandemics or similar events, which could adversely affect global and local economies and activities and thereby also adversely impact the Fund's investments and the income derived from them.

4.2.6 CAPITAL EXPENDITURE RISK

Capital expenditure for properties could exceed expectations. This could result in increased funding costs and could materially impact the net assets and/or profit available for distribution by the Fund.

For Direct Property assets and Property Trusts managed by CFM, CFM works closely with tenants and consultants in an effort to ensure ongoing capital expenditure estimates are accurate.

4.2.7 DEVELOPMENT AND CONSTRUCTION RISK

Over time, the Fund may enter into contracts for buildings that are under construction.

As with all construction, there may be cost overruns and the cost to complete the construction may be more than forecast and additional capital or finance may need to be sourced.

Further, completion of buildings under contract could be delayed due to the fault of the particular developer or other unforeseen events. If that occurs, then tenants may not begin paying rent when expected and this may impact distributions paid by the Fund.

The Fund may also be exposed directly or indirectly to development and construction risks as a result of future refurbishment or further development of properties.

Development and construction can be subject to external influences over which CFM has little or no control.

4.2.8 VALUATION RISK

Where a building is under construction, the property will be valued on an 'as if complete' basis. These valuations assume that the relevant building is complete, has been built in accordance with the agreed specifications and that the leases commence as expected and on the agreed terms. 'As if complete' valuations also assume that property market conditions remain constant.

As a result, with 'as if complete' valuations there is a risk that, on Practical Completion of any relevant building, the valuation will not be the same.

4.2.9 CLIMATE CHANGE RISK

Climate change risk entails both transition risks and physical risks.

Transition risks are associated with changes to regulation, legal, technological, market and other societal responses as a result of challenges posed by climate change and the drive to transition to a low carbon economy.

Physical risks include acute risks resulting from increased severity and frequency of extreme weather events, and chronic risks that are the result of longer-term changes in climate patterns.

Climate change may have unforeseen impacts on the operation of assets, new investments, existing portfolio, tenant communities, ecosystems and Cromwell Property Group's suppliers and supply chains.

4.3 Fund Risks

These risks relate to either an investment in the Fund or factors which affect all investments generally.

4.3.1 RETURN RISK

The success of the Fund is dependent on CFM identifying suitable property investments for the Fund. There is a risk that returns may be lower than expected if sufficient property assets cannot be identified and the Fund is forced to hold cash for an extended period of time.

4.3.2 BORROWING RISK

The Fund has borrowings. Property Trusts in which the Fund invests will likely have borrowings and the trustees of Property Trusts may decide to borrow.

Borrowing, whether undertaken to help acquire Direct Property for the Fund, a sub-trust or in Property Trusts, enhances the potential for increases in distributions and capital gains for investors if the underlying property increases in value or the Fund income increases. However, it also enhances the potential for reductions in distributions or capital losses in the event that property values fall or property income reduces.

There is no guarantee that CFM or any other manager of a Property Trust will be able to refinance loan facilities on maturity. If there are not sufficient funds to meet the interest payments, if property values fall materially, or if a loan facility is in breach of one of its financial covenants, the loan facilities may be in default and the financier may want to enforce its security over property. These events could require repayment of a loan facility, possibly prior to its expected expiry. This could result in an early sale of assets, additional equity being required, or distributions being reduced to repay the borrowings in the Fund, or underlying Property Trusts or sub-trusts.

If the borrowings are refinanced, the interest rate margin payable may be higher than that applying to the then current borrowings.

Any increases in variable market interest rates (after a period of fixed interest rate hedging expires) will increase interest costs in the Fund or underlying Property Trusts, which may result in a reduction in distributions by the Fund.

Additionally, the Fund's Constitution and the Corporations Act give unitholders certain powers. In particular, the requisite number of unitholders can call a meeting of unitholders to consider resolutions to amend the Constitution, terminate the Fund or remove CFM as responsible entity. The exercise of those powers without the consent of a bank financier may lead to events of default under the Fund's finance facilities and in certain circumstances, will give the bank rights to, amongst other things, call for immediate repayment of the amounts outstanding.

CFM has procedures to ensure regular monitoring of Fund borrowings and seeks refinance terms well in advance of the expiry of existing facilities to minimise the risk of an adverse result on refinancing. CFM also undertakes regular monitoring of forecast interest rates and actively manages interest rate risk through hedging (limiting the impact of market rates of interest for a period of time) where considered appropriate and cost effective.

4.3.3 DERIVATIVE RISK

A derivative is a financial instrument that derives its value from the price of a physical security or other financial asset. Losses may occur when there is an adverse movement in the price or value of the asset underlying the derivative. The Fund and underlying Property Trusts into which the Fund invests are expected to use derivatives to hedge interest rate risk resulting from borrowings.

4.3.4 CURRENCY AND INTEREST RATE RISK

The Fund invests in Property Trusts that have borrowed to acquire property, and the Fund and its sub-trusts have borrowed against Direct Property. The Fund may also invest in Property Trusts that have properties and borrowings in foreign countries, although CFM does not expect the Fund will have any material exposure to assets or borrowings in foreign countries. The value of properties or borrowings may be impacted by interest rate and/or currency fluctuations. Currency and interest rate hedging strategies are likely to be used by CFM and the fund managers of Property Trusts to reduce these risks, but the impact of currency and interest rate fluctuations is unlikely to be completely eliminated.

4.3.5 LIQUIDITY RISK

CFM intends to offer a Limited Monthly Withdrawal Facility and a full withdrawal opportunity (Periodic Withdrawal Opportunity) every five years for the life of the Fund.

However, in any particular month during which the Limited Monthly Withdrawal Facility is on offer, the Fund may receive withdrawal requests which exceed the amount available to meet those requests. This means requests may be scaled back and it might take several months to pay remaining withdrawal request amounts in full. Since property assets by their nature are illiquid investments, in a prolonged period of volatility and/or reduction in market valuations or activity, it may also be difficult for CFM to maintain the Limited Monthly Withdrawal Facility.

If CFM has to sell some or all of its assets to allow withdrawals under a Periodic Withdrawal Opportunity, it may take longer than expected to sell the necessary asset(s) and the asset(s) may not be able to be sold at the best time or for the desired price. This would affect overall returns to investors.

Notwithstanding CFM's current intentions, market conditions may mean that it has to suspend the Limited Monthly Withdrawal Facility and/or the Periodic Withdrawal Opportunities.

Further, if the Fund ceases to be "liquid" for the purpose of the Corporations Act, CFM would only be able to provide limited specific withdrawal opportunities in accordance with the Corporations Act.

4.3.6 LITIGATION RISK

The Fund may be involved in disputes and possible litigation. It is possible that a material dispute could adversely affect the value of the assets or the income of the Fund.

4.3.7 MANAGER RISK

Investing in the Fund means that an investor is delegating their control over some investment decisions to CFM and indirectly to any other managers of any underlying Property Trusts. How the Fund performs depends partly on the performance of each manager and may also be impacted by the performance of external service providers.

Also, the Fund will have exposure to Property Trusts managed by CFM. This means the Fund's performance will be influenced by CFM's performance as the manager of those trusts.

Cromwell has considerable experience as a property fund manager and aims to use this experience to maximise returns for investors.

4.3.8 LEGAL AND REGULATORY RISK

Changes in any law (including income tax laws), regulation or government policy could have an impact on the Fund's performance. The Fund may require Foreign Investment Review Board (FIRB) approval in relation to some of its investments. Although CFM does not expect this to be an issue, FIRB may not approve a particular investment and that might impact the Fund's performance.

4.3.9 ECONOMIC AND MARKET RISK

The overall investment performance of the Fund may be impacted by changing economic or property market conditions. These may include movements in interest rates, exchange rates, securities markets, inflation, consumer spending, employment and the performance of individual local, state, national and international economies.

4.3.10 FUND RISK

Other Fund specific risks include that the Fund could terminate, the fees and expenses could change, CFM or the manager of a Property Trust could be replaced or fund management personnel could change. Investing in the Fund could give different results than investing in the same investments individually because of income or capital gains accrued in the Fund and the consequences of investment and withdrawal by other investors.

Further, since the withdrawal price is calculated immediately before it is paid, and not on the day the withdrawal request is received, the withdrawal price you receive may be higher or lower than the withdrawal price calculated as at the end of the day on which the withdrawal request was lodged.

4.3.11 TAX RISK

In the unlikely event that the Fund ceases to qualify as a Managed Investment Trust ("MIT"), or an Attribution Managed Investment Trust ("AMIT"), the Constitution provides that the pre-AMIT provisions apply to allocate tax to investors. In these circumstances, investors will be presently entitled to the distributable income and will be allocated a share of the taxable income based on their entitlements to the distributable income. This may result in a different allocation of tax to investors or the Fund than outlined in this PDS.

The tax information provided in this PDS reflects the Australian income tax legislation in force and the interpretation of the Australian Taxation Office ("ATO") and the courts as at the date of issue of this PDS. Tax laws are subject to continual change and this may impact the taxation of trusts and investors.

5. Fees & 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 account 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 fees. Ask the fund or your financial adviser.

TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** Moneysmart website (www.moneySMART.gov.au) has a managed funds fee calculator to help you check out different fee options.

5.1 Fees & Other Costs

This table 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 Fund assets as a whole.

Taxation information is set out in Section 6.

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

Cromwell Direct Property Fund		
Type of fee or cost	Amount	How and when paid
Ongoing annual fees and costs¹		
Management fees and costs The fees and costs for managing your investment	Ongoing Fund management fee of 0.6% p.a. of the Fund's Gross Assets ² (i.e., \$60 out of every \$10,000 of the Gross Assets). When calculating Gross Assets, the gross value of Direct Property and the Fund's share of Gross Assets of any Property Trust will be used, rather than its net asset value. The fees will be proportionately reduced to the extent any management fees are charged by CFM or another wholly-owned subsidiary of Cromwell to that Property Trust.	Calculated daily and payable to CFM monthly in arrears unless waived or deferred. Paid from Fund assets.
	Ongoing Fund administration costs estimated to average 0.14% p.a. of the Fund's net asset value (i.e., \$14 out of every \$10,000 of net asset value).	Payable to CFM when incurred. If expenses are initially paid by CFM, CFM is entitled to be reimbursed upon presentation of relevant invoices. Paid from Fund assets.

Cromwell Direct Property Fund

Type of fee or cost	Amount	How and when paid
	<p>Acquisition fee up to 2.0% of the gross value of any Direct Property asset acquired or of the relevant proportion of the gross value of a Property Trust's property assets.</p> <p>Cromwell will waive the acquisition fee in relation to an investment in a Property Trust established and managed by Cromwell when the underlying net asset value of the investment has not recovered to at least its Initial Issue Price.</p>	<p>Payable to Cromwell at the end of the month in which the acquisition of the Property Trust units or Direct Property is completed. Paid from the Fund or sub-trust's assets.</p> <p>Where an asset is under construction, the acquisition fee is charged monthly in arrears in proportion to the percentage of building works completed.</p>
	<p>Indirect costs estimated to average between 0.2%-0.3% p.a. of the Fund's net asset value (i.e., between \$20 and \$30 out of every \$10,000 of net asset value).</p>	<p>Payable when incurred. Payable from Fund assets or interposed vehicles' assets and reflected in the unit price.</p>
<p>Performance fees³ Amounts deducted from your investment in relation to the performance of the product</p>	<p>Performance fee of 20% of the outperformance above the Benchmark. Any underperformance must be recovered before the fee is payable. Performance fees may also be payable by the Property Trusts in which the Fund invests.</p> <p>The 5 year historical average for the performance fees is 0.17% of net assets per annum.</p>	<p>Payable to CFM quarterly in arrears or payable to the trustee or manager of the relevant Property Trust. Paid from Fund or Property Trust's assets and reflected in the unit price.</p>
<p>Transaction costs⁴ The costs incurred by the scheme when buying or selling assets</p>	<p>0.45% of the Fund's gross assets under management</p>	<p>Payable when incurred. Payable from Fund assets or interposed vehicles' assets and reflected in the unit price.</p>
<p>Member activity related fees and costs (fees for services or when your money moves in or out of the scheme)⁵</p>		
<p>Establishment fee The fee to open your investment</p>	<p>Nil</p>	<p>Not applicable</p>
<p>Contribution fee The fee on each amount contributed to your investment</p>	<p>Nil</p>	<p>Not applicable</p>
<p>Buy-sell spread⁶ An amount deducted from your investment representing costs incurred in transactions by the scheme</p>	<p>Nil</p>	<p>The costs of buying and selling units in the Fund are taken into account in calculating the net asset value of the Fund.</p>
<p>Withdrawal fee The fee on each amount you take out of your investment</p>	<p>Nil</p>	<p>Not applicable</p>
<p>Exit fee The fee to close your investment</p>	<p>Nil</p>	<p>Not applicable</p>
<p>Switching fee The fee for changing investment options</p>	<p>Nil</p>	<p>Not applicable</p>

1. Fees and costs set out in this section may be negotiated or waived by CFM. See Section 5.3.5 'Differential Fees' and Section 5.4 'Waiver or Deferral of Fees' for more detail.
2. Ongoing management fees are calculated daily and charged monthly in arrears. For the purpose of calculating fees, the amount of Gross Assets is determined using the latest available management accounts.
3. See Section 5.3.1 "Performance Fee" for more detail.
4. See Section 5.3.2 "Transaction Costs" for more detail.
5. Advice fees agreed between you and your financial adviser, and other service fees, may apply to your investment in the Fund. See Section 5.6 for further details about the advice fees that may be payable.
6. CFM may introduce or vary the buy/sell spread from time to time. See Section 5.3.2 "Buy/sell spread" for more detail.

5.2 Example of Annual Fees and Costs

EXAMPLE OF ANNUAL FEES AND COSTS

This table gives an example of how the ongoing annual fees and costs in the Fund can affect your investment over a 1-year period. You should use this table to compare this product with other products offered by managed investment schemes.

EXAMPLE ¹		BALANCE OF \$50,000 WITH A CONTRIBUTION OF \$5,000 DURING THE YEAR ²
Contribution Fees	0%	For every additional \$5,000 you put in, you will be charged \$0
PLUS Management Costs	1.09%	And, for every \$50,000 you have in the Fund you will be charged or have deducted from your investment between \$545 and \$600³ each year
PLUS Performance fees	0.17%	And, you will be charged or have deducted from your investment between \$85 and \$94³ in performance fees each year. This number is calculated off a five year average
PLUS Transaction costs	0.60%	And, you will be charged or have deducted from your investment between \$300 and \$330³ in transaction costs
EQUALS Cost of Fund	1.86%	If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees of: \$930 - \$1,023* *What it costs you will depend on the fees you negotiate.

- This example does not include any additional fees that your financial adviser or IDPS operator may charge you.
- The minimum initial investment amount for the Fund is \$10,000. The minimum additional investment amount is \$1,000. Example assumes the additional \$5,000 is invested at the beginning of the year.
- Takes into account the additional \$5,000 contribution, assumed to be invested at the beginning of the year.

BREAKDOWN OF MANAGEMENT COSTS	AMOUNT
Management fee	0.61% ¹
Annual administration cost	0.14% ²
Acquisition fees	0.12% ³
Indirect costs	0.22% ⁴
Total management fees and costs	1.09%

- Management fee of 0.60% p.a. of the Fund's gross asset value represented as a percentage of the Fund's net asset value.
- Annual administration costs of 0.14% of the Fund's net asset value for the 12 months to 30 June 2020.
- Of the Fund's net asset value. This amount will depend on the Fund's investment activity.
- Indirect costs of investing in Property Trusts represented as a percentage of the Fund's net asset value. This amount will depend on the Fund's portfolio composition.

5.3 Additional Explanation of Fees and Costs

5.3.1 ONGOING MANAGEMENT FEES AND COSTS

These fees and costs are paid by the Fund and therefore indirectly by you in proportion to your investment in the Fund.

Fund Management Fees

These are the fees that CFM charges for managing and overseeing the Fund's operations. The management fee is calculated daily and charged monthly in arrears. CFM will charge a maximum of 0.60% p.a. of the Fund's share of Gross Assets calculated on a daily basis (i.e., \$60 out of every \$10,000 of the Fund's Gross Assets). In calculating the value of the Gross Assets of the Fund for this purpose, CFM will include the gross value of Direct Property and for units held in Property Trusts by reference to the Fund's share of Gross Assets of the Property Trusts rather than their net asset value. The fees will be proportionately reduced to the extent any management fees are charged by CFM or another wholly-owned subsidiary of Cromwell to that Property Trust.

Ongoing Fund Administration Costs

The Fund will normally incur ongoing costs such as audit fees, custody fees, compliance committee costs, accounting/tax/legal advice, bank charges, marketing costs, printing and stationery costs, postage and registry fees. CFM estimates these to average 0.14% p.a. of the Fund's net asset value (i.e., \$14 out of every \$10,000 of the Fund's net asset value).

Performance Fee

A performance fee of 20% of the outperformance above the Benchmark is calculated and paid quarterly in arrears.

Over or under performance is calculated in respect of each quarter by calculating the performance of the Fund and the performance of the Benchmark and comparing the two.

The performance of the Fund is calculated by taking the net asset value per unit on the last Sydney business day of the quarter (the 'closing net asset value per unit'), subtracting the value on the last Sydney business day of the preceding quarter (the 'opening net asset value per unit') and adding the amount of distributions paid per unit during the period. The result is then divided by the opening net asset value per unit to determine the performance in percentage terms (positive or negative).

The performance of the Benchmark is calculated by taking the closing value of the Benchmark on the last Sydney business day of the quarter (or as close as reasonably practicable) and subtracting the value on the last Sydney business day of the preceding quarter.

Performance Fee Example

This example is provided for information purposes only, to illustrate the calculation of the Performance Fee. Actual results are likely to vary significantly from those set out in this example.

The example calculation includes the following assumptions for a hypothetical quarterly performance fee calculation:

The performance of the Benchmark for the quarter ("Benchmark Performance") was	3.0%
The closing net asset value per unit ("Closing NAV") was	\$1.02
The opening net asset value per unit ("Opening NAV") was	\$1.00
Distributions per unit declared during the quarter ("Distributions") were	\$0.015
The average daily value of the net assets of the Fund during the quarter ("average daily NAV") was	\$30,000,000
Carried forward underperformance from previous periods ("previous underperformance") was	\$50,000

The performance of the Fund for the quarter is 3.5%, calculated as:

$$\text{Formula: } \frac{(\text{Closing NAV} - \text{Opening NAV} + \text{Distributions})}{\text{Opening NAV}} \quad \text{Example: } \frac{(\$1.02 - \$1.00 + \$0.015)}{\$1.00} = 3.5\%$$

The performance fee is \$20,000, calculated as:

$$\begin{aligned} \text{Formula: } & \left(\begin{array}{l} \text{((Fund performance - Benchmark} \\ \text{performance)} \\ \text{x average daily NAV)} \\ \text{- previous} \\ \text{underperformance} \end{array} \right) \times \text{Performance} \\ & \qquad \qquad \qquad \text{Fee multiple} \\ \text{Example: } & \left(\begin{array}{l} ((3.5\% - 3.0\%) \\ \text{x } \$30,000,000) \\ \text{- } 50,000 \end{array} \right) \times 20\% = \$20,000 \end{aligned}$$

The performance fee is calculated by subtracting the performance of the Benchmark from the performance of the Fund and multiplying the result by the average daily value of the net assets of the Fund during the period. If the result is a negative amount, it is added to any negative amounts carried forward from previous periods and represents the carried forward underperformance. In this case, no performance fee is payable in respect of that period. If the result is a positive amount, any carried forward underperformance from previous periods is subtracted. If this results in a negative amount, the lower amount then represents the carried forward underperformance. In this case, no performance fee is payable in respect of that period. If the result is a positive amount, that amount is multiplied by 20% and represents the performance fee payable in respect of that period.

The Fund may also invest in Property Trusts in which a performance based fee may be payable to the trustee or manager of the trust. These performance based fees may be incurred irrespective of the Fund's overall performance and will accrue in the Fund's unit price.

The five-year historical average for the performance fee is \$240,998 per annum. This includes performance based fees paid to the trustee or manager of the Property Trusts. In any year, this historical average will differ depending on the performance of the Fund and its underlying investments. Please read this PDS in conjunction with the most current annual fees and costs disclosure, which is available online at www.cromwell.com.au/dpf, or can be obtained free of charge, on request.

The five-year historical average has been calculated on performance fees paid in the Property Trusts as follows:

	2020	2019	2018	2017	2016	Average
Performance Fees (%)	0.00%	0.23%	0.00%	0.61%	0.00%	0.17%
Performance (\$)	0	\$482,904	0	\$722,084	0	\$240,997.56

Acquisition Fee

CFM or its subsidiaries are entitled to charge an acquisition fee up to 2.0% of the gross value of any Direct Property asset acquired or of the relevant proportion of the gross value of a Property Trust's property assets. This fee will be payable at the end of the month in which settlement of the acquisition occurred.

Where an asset is under construction, the acquisition fee is charged monthly in arrears in proportion to the percentage of building works completed.

CFM or another Cromwell entity will waive the acquisition fee in relation to an investment in a Property Trust established and managed by Cromwell when the underlying net asset value of the Property Trust has not recovered to at least its Initial Issue Price.

For example, if the value of the Fund's investment in an underlying Property Trust is \$101,000 and those units were originally issued for \$100,000, then the Fund would be entitled to charge an acquisition fee of up to 2.0% of the relevant proportion of the value of property assets. If the relevant proportion of the value of the property assets were valued at \$180,000 due to the gearing within the Property Trust a \$3,600 fee would be payable.

However, if at the time the property asset is acquired, the value of the Fund's investment is below the Initial Issue Price of \$100,000, no fee would be payable.

Indirect Costs

Indirect costs are essentially any amounts that reduce (or may reasonably be expected to 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. The Property Trusts into which the Fund invests are interposed vehicles. Therefore, the fees and costs associated with the Fund's investments in the Property Trusts, such as underlying management fees, acquisition fees and expense recoveries, are included in the management costs disclosed in this PDS. The indirect costs incurred by the Fund will depend on the Fund's portfolio composition and are generally calculated based on the amounts paid in the previous financial year. CFM estimates these to average 0.22% p.a. of the Fund's net asset value (i.e., \$22 out of every \$10,000 of the Fund's net asset value). Actual indirect costs for a financial year may therefore differ from the amount disclosed in this PDS. Indirect costs are paid from the Fund's assets (or from the assets of the Property Trusts) when the cost is incurred and are reflected in the relevant unit price.

Indirect costs are not directly payable by you.

Removal Fee

On removal as responsible entity of the Fund, CFM will require payment of any fees it has previously deferred and an amount equivalent to the Performance Fee that would have been payable if all of the Fund's assets were sold on the date CFM ceases to be responsible entity.

Abnormal Expenses

CFM is entitled to be reimbursed from the Fund for abnormal expenses, such as the cost of unitholder meetings, legal costs of any proceedings involving the Fund and terminating the Fund. Whilst it is not possible to estimate such expenses with certainty, CFM anticipates that the events that give rise to such expenses will rarely occur.

Reimbursement of Costs

CFM is entitled, under the Constitution, to be reimbursed for all expenses and liabilities (which include the ongoing administration costs and abnormal expenses referred to above) which it may incur in the proper performance of its duties under the Constitution. These expenses include (but are not limited to):

- costs, charges and expenses of the preparation, due diligence, registration, promotion and distribution of any disclosure document in respect of the Fund;
- costs, charges and expenses incurred in connection with the acquisition or proposed acquisition of any assets of the Fund (including stamp duty payable in accordance with the law);
- costs, charges and expenses of maintaining and improving any assets of the Fund;
- fees and expenses of the auditors;
- costs, charges and expenses incurred in connection with the borrowing of monies on behalf of the Fund or in connection with the Fund assets;
- fees and expenses of any approved valuer or other expert employed by the Fund;
- costs of convening and holding any meeting of investors;
- expenses incurred in connection with the keeping and maintaining of accounting and financial records and registers including the register of investors;
- costs, charges, and expenses and disbursements paid or payable to the Custodian;
- the fees and expenses of the compliance committee of the Fund;
- fees incurred in arranging finance or refinancing debt;
- fees and expenses in connection with any audit of the compliance plan; and
- any underwriting fees in respect of the issue of any units or other costs incurred in connection with the issue of units under any offer.

5.3.2 TRANSACTION COSTS

Transaction costs are costs incurred by the Fund for dealing with the Fund's assets. These costs include due diligence costs, stamp duty, legal, advisory and other professional costs and includes the transaction costs of interposed vehicles.

The transaction costs for the 12 months ending 30 June 2020 were 0.45% of the Fund's gross assets, made up as follows:

Transaction cost	Amount (% of Gross Assets)	How and when paid
Due diligence costs ¹	0.00%	Payable when incurred. Payable from fund assets or interposed vehicles' assets
Stamp duty	0.45%	As above
Professional fees (including legal, accounting, tax) ²	0.00%	As above
Property acquisition costs	0.00%	As above
Sales commission	0.00%	As above
Total	0.45%	As above

1. While some due diligence costs were incurred, the amount is so minor as to be immaterial.

2. While some professional fees were incurred, the amount is so minor as to be immaterial.

Transaction costs are disclosed based on amounts paid in the previous financial year and in any year will differ depending on the investment activity of the Fund. Please read this PDS in conjunction with the most current 'Fees and Costs Information', which is available online at www.cromwell.com.au/dpf, or can be obtained free of charge, on request.

Buy/sell spread

The current buy/sell spread is nil because the costs of buying and selling units in the Fund are taken into account in calculating the net asset value of the Fund.

CFM may introduce or vary the buy/sell spread from time to time and prior notice may not be given. Updated information on the buy/sell spread will be posted on www.cromwell.com.au/dpf.

The buy/sell spread would be an additional cost to you and would generally be incurred whenever you invest in, or withdraw from, the Fund. The buy/sell spread would be retained by the Fund (it is not a fee paid to CFM) and represents a contribution to the transaction costs incurred by the Fund when purchasing or selling assets.

The gross transaction costs of the Fund were 0.60% of the Fund's net assets, or \$225 for a \$50,000 investment in the Fund. Because the current buy/sell spread is nil, this is the same as the transaction costs shown in the fees and costs summary at Section 5.1, which must be disclosed net of any amount recovered by a buy/sell spread. These costs are additional costs to investors because they have not already been recovered by the buy/sell spread.

5.3.3 FEES TO RELATED PARTIES

All related party transactions are conducted on arm's length terms and in accordance with Cromwell's related party transactions policy. Refer to Section 9.7 for further information.

Trust Management Fees

As the responsible entity or trustee of any Property Trusts managed by CFM, CFM will earn ongoing management fees from those trusts. For example, it will earn 0.6% of the value of Gross Assets from the Cromwell Riverpark Trust, Cromwell Ipswich City Heart Trust and Cromwell Property Trust 12 each year. CFM will also be entitled to other fees from any Property Trust of which CFM is the responsible entity, including acquisition fees and performance fees. The fees will be proportionately reduced to the extent any management fees are charged by CFM or another wholly-owned subsidiary of Cromwell to that Property Trust.

For further information on fee entitlements or general information about Property Trusts owned by the Fund, please contact Cromwell's Investor Services Team on 1300 268 078.

Property Management Fees

CFM expects to appoint Cromwell Property Services Pty Ltd ("Cromwell Property"), a related company, to manage any Direct Property purchased by the Fund and to manage any property held by underlying Property Trusts, excluding those managed by an external manager. At the date of the PDS, CFM has appointed Cromwell Property to manage such properties. Cromwell Property may retain an external property manager to perform some property management functions.

Cromwell Property would be paid property management fees at commercial market rates for any property management functions it performs for the Fund and Property Trusts into which the Fund has invested, excluding those managed by an external manager.

In circumstances where property management fees form part of the outgoings of the property, they may be recoverable, in full or in part, from tenants under the terms of their leases and to the extent this occurs there will be no net cost to the Fund, its sub-trusts or the Property Trust as the case may be.

Leasing Fees

Cromwell Property will receive leasing commissions if it secures new tenants, or renews or extends leases with existing tenants for any Direct Property or Property Trust property managed by CFM. These fees will be charged at commercial market rates, depending on the size of the area leased, the term of the lease and the conditions of the lease. Where an external agent is retained to introduce new tenants, the external agent will be paid by the Fund or underlying Property Trust at commercial market rates. In such cases, Cromwell Property will limit its fee to the commercial rate for a coordinating agent.

Property Capital Expenditure

A related party of CFM, Cromwell Project and Technical Solutions Pty Ltd ("Cromwell Projects"), will provide technical advice and project management services to the Fund or its sub-trusts when it acquires Direct Property. Cromwell Projects also provides these services to all Property Trusts managed by CFM. Cromwell Projects will also supervise any external project managers used from time to time. Services are charged at commercial market rates.

Property Sale Arrangement Fee

Cromwell Property may act as the selling agent for the Direct Property and any property assets held by the Property Trusts invested in by the Fund. Where it or any other related party of CFM is appointed selling agent, Cromwell Property will receive a fee of up to 1.0% of the sale price upon completion of any such sale. Where any other real estate agent is appointed to sell the property, Cromwell Property will limit its fee to no more than 1.0% of the sale price, including external agent fees.

Accounting Services Fee

A related party of CFM, Cromwell Operations Pty Ltd ("Cromwell Operations") will keep and maintain the Fund's financial and accounting records and provide registry and related services to the Fund and its sub-trusts and will charge the Fund services fees on a cost recovery basis for the provision of those services.

Finance Arrangement Services Fee

A related party of CFM, Cromwell Capital Pty Ltd ("Cromwell Capital") will provide finance arrangement and related services to the Fund primarily for the negotiation and refinancing of new and existing debt facilities. Services are charged at commercial market rates.

5.3.4 FEES FOR OTHER SERVICES

CFM or a related party may also provide other services to the Fund and its sub-trusts or the Fund's investors in the future. Should that occur, CFM or a related party will charge fees for those services at commercial market rates for the provision of those services.

5.3.5 DIFFERENTIAL FEES

CFM may rebate fees on an individual basis as permitted by the Corporations Act and ASIC relief. By way of example, CFM may rebate fees with wholesale investors as defined in the Corporations Act, including IDPS operators.

5.3.6 CHANGES TO FEES AND EXPENSES

CFM may change the fees and expenses referred to in this PDS. CFM will provide at least 30 days' notice to investors of any proposed increase in fees or expense recoveries or introduction of new fees.

5.4 Waiver or Deferral of Fees

CFM may at its discretion:

- partially or fully waive any fees to which it is entitled; or
- defer payment of fees to which it would otherwise be entitled, and may claim these in the event it is removed as responsible entity of the Fund.

The maximum fees chargeable by Cromwell as set out in the Constitution are the same as those outlined in this section with the exception of the following:

- CFM is entitled to charge an ongoing management fee of up to 0.6% of the Fund's share of the Gross Assets of Property Trusts but has agreed to proportionately reduce this fee to the extent that Cromwell is paid a management fee as the responsible entity of the Property Trusts.
- CFM is entitled under the Constitution to charge an acquisition fee to the Fund of up to 2.0% of the gross asset value of any Direct Property asset acquired. CFM agrees to waive any duplicate acquisition fees payable to CFM where an acquisition fee is charged in relation to the acquisition of the same Direct Property asset in a wholly-owned sub-trust of the Fund.
- CFM is entitled to charge an acquisition fee to the Fund of up to 2.0% of the relevant proportion of the gross asset value of any underlying Property Trust's property assets acquired. Cromwell will waive this acquisition fee for units acquired in a Property Trust Cromwell established and manages if the net asset value of units acquired in the Property Trust have not fully recovered to the Initial Issue Price.

5.5 Goods and Services Tax (GST)

All the fees in this Section 5 are inclusive of the net effect of GST (i.e. includes GST net of input tax credits and any available reduced input tax credits). The Fund may not be entitled to claim a reduced input tax credit in all instances. Under the Constitution, Cromwell is also entitled to recover an additional amount from the Fund on account of any GST liability it has in relation to the above fees. See Section 6.1.4 for more detail.

5.6 Payments to Your Financial Adviser

5.6.1 ADVICE FEES

You may agree with your financial adviser that an initial advice fee will be paid for ongoing financial planning services your financial adviser provides for you in relation to your investment. This advice fee is additional to the fees shown in Section 5.1 and is paid to the Australian financial services licensee responsible for your financial adviser (or your financial adviser directly if they are the licensee). It is not paid to CFM.

You and your financial adviser determine the amount of any advice fee. Where it has been agreed, you authorise us to deduct the fee agreed between you and your adviser

(up to 3.3% inclusive of GST) from each investment amount and forward it to the relevant Australian financial services licensee before issuing units in the Fund. The relevant information must be noted on your application form when you make your initial investment.

5.6.2 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 paid by the Fund.

11 Farrer Place, Queanbeyan



6. Taxation Information

This information is for resident investors who hold their units as long term investments on capital account and is based on current taxation legislation as at the date of issue of this PDS.

We have also provided general observations in relation to the tax implications for non-resident investors who hold their units as long term investments on capital account. The following comments should not be regarded as tax advice.

Tax law may change over time and tax treatment may vary according to individual circumstances and investors are advised to seek their own tax advice in respect of their investment in the Fund. Tax liabilities are the responsibility of each individual investor and CFM is not responsible for taxation or penalties incurred by investors.

6.1 Australian Resident Investors

The Fund is an Australian resident trust for tax purposes. CFM intends to limit the Fund's investment activities to ensure that the Fund is treated as a 'flow through' entity for the purposes of Australian tax.

The Fund qualifies as a Managed Investment Trust ("MIT"), and satisfied the requirements to make a choice to be an Attribution Managed Investment Trust ("AMIT") for taxation purposes. The Fund has made a choice to be an AMIT for taxation purposes. The AMIT regime provides greater certainty on the application of the tax provisions for both the investors and the Fund.

6.1.1 AMIT REGIME

Under the AMIT regime, the Fund is a flow through entity and investors will be attributed the taxable income of the Fund regardless of whether the Fund makes a distribution of income or capital.

The Fund will attribute taxable income and tax offsets to investors on a fair and reasonable basis. The attribution will be based on the investors' rights to the income and capital in the Fund as provided for in the Constitution.

Investors will be attributed tax components that may include interest, capital gains and income from the Fund's interest in real property, units and cash. CFM will provide investors with an AMIT member annual statement outlining the tax components. The components of income and capital retain their character in the investor's hands.

Attribution of income

Investors will include the tax components attributed to them in their assessable income. The tax implications for investors will depend upon the tax character of the tax components attributed to them.

Capital gains of the Fund

The Fund has made an election to treat investments on capital account for taxation purposes. Consequently, gains or losses on the disposal of investments will be taxable as a capital gain or loss.

Broadly, where the Fund disposes of an asset it has held for more than 12 months it may be eligible for discount Capital Gains Tax ("CGT") concessions. The taxable capital gain will be attributable to investors. Where an investor is an eligible investor, such as an individual, trustee or complying superannuation fund, the investor may be entitled to the discount CGT concessions.

The capital gain will be identified in the AMIT member annual statement to ensure that investors can calculate their net capital gain position.

Cost base adjustments

The Fund will distribute income monthly in arrears based on the number of units held at the end of the distribution period. The amount of the cash distribution may be greater than, or less than, the taxable income attributed to an investor. Broadly, the cost base of the units will be increased by any amounts attributed to investors and the cost base will be reduced by any actual payments received (or are entitled to receive) and tax offset amounts attributed to investors. These amounts are netted off resulting in either an increase or decrease in cost base.

CFM will reflect any net increase or decrease in the cost base in the AMIT member annual statement issued to the investor.

Where your cost base is reduced to nil any net decreases to the cost base will result in a capital gain equal to that excess.

Disposal of units

Investors may be liable for tax on capital gains realised on transfer, redemption or otherwise disposing of units in the Fund.

In order to determine their capital gains tax position, investors will need to adjust the tax cost base of their units in the Fund for any tax deferred distributions that were received from the Fund prior to the Fund electing to become an AMIT. Investors may also need to adjust the cost base to take into account any adjustments to the cost base under the AMIT rules as noted above.

Investors may also be entitled to the discount capital gain concessions where the units have been held for more than 12 months. The Fund does not issue a separate capital gains statement if the investor disposes of units in the Fund.

Unders and overs

Where the Fund discovers an over estimate or under estimate of a tax component relating to a previous year, the AMIT rules allows CFM to attribute the tax consequence to either the previous year, or the year of discovery.

Consequently, an investor may be attributed a tax component related to an under estimate or over estimate of the tax component of a previous year. CFM will consider the facts and circumstances in determining whether to correct an under or over estimation in the discovery year or in the year that the under or over estimation relates.

Member challenge

The Fund will issue an AMIT member annual statement to investors outlining the tax components attributed to that investor each year. The AMIT rules provide that an investor may object to the determined member component by notifying the Commissioner and substituting the amount with their own determination.

If an investor chooses to object against the amount attributed to them by the Fund as noted in the AMIT member annual statement, the investor must provide CFM with notification seven days prior to notifying the Commissioner of their choice to object. The notification to CFM must outline the investor's reasons for the objection.

The investor will also be required to provide CFM with information so that CFM can assess the investor's objection. The investor will be required to meet all costs and liabilities incurred by CFM in assessing the objection.

6.1.2 QUOTING A TAX FILE NUMBER ("TFN"), TFN EXEMPTION OR AUSTRALIAN BUSINESS NUMBER ("ABN")

Collection of an investor's TFN is authorised and its use and disclosure strictly regulated by the tax laws and the Privacy Act 1988. Investors may quote a TFN or claim a TFN exemption in relation to their investment in the Fund when completing their application form. Investors may quote an ABN instead of a TFN if they are making this investment in the course of an enterprise carried out by them.

If an investor chooses not to quote a TFN, TFN exemption or ABN, CFM may be required to deduct tax at the prescribed highest marginal rate plus Medicare Levy from that investor's income distributions. As at the date of the PDS this rate was 47%.

6.1.3 SOCIAL SECURITY

Investing in the Fund may affect an investor's entitlement to social security benefits as their investment may be included in the income and assets tests of Centrelink and the Department of Veterans' Affairs. Investors should obtain professional advice concerning the particular social security implications for their circumstances.

6.1.4 GOODS AND SERVICES TAX (GST)

The issue of units in the Fund is not subject to GST. However, fees and expenses incurred by the Fund, such as management fees, will attract GST at the rate of 10%. The Fund may only be entitled to claim GST input tax credits at a reduced rate on some expenses. However, for the majority of such expenses, a Reduced Input Tax Credit ("RITC") of 75% or 55% of the GST paid can be claimed. Any unclaimable GST charged on fees and expenses is incorporated in the management costs for the Fund.

6.2 Non-resident Investors

The following comments are general in nature. Non-resident investors may be subject to withholding tax on amounts distributed or attributed to them by the Fund. The withholding tax rate depends on whether the Fund qualifies as a withholding tax MIT, the character of the income distributed or attributed, and the residency of investors.

The Fund currently qualifies as a withholding tax MIT. CFM will monitor the requirements with the aim that the Fund continues to qualify as a withholding tax MIT.

Non-resident investors should seek independent tax advice before investing, taking into account their particular circumstances including whether they may be eligible for any concessions under a relevant Double Taxation Agreement between Australia and their country of residence.

Tax on Income

CFM is required to withhold tax on a non-resident investor's behalf in respect of any Australian taxable income distributed or attributed by the Fund.

Where the distribution or attribution includes Australian sourced interest, a final withholding tax of 10% will apply to that component.

A concessional final withholding tax rate of 15% will apply to distributions or attributions of fund payments to investors that are tax residents in countries approved as 'information exchange countries'. A fund payment is a distribution or attribution of an amount other than amount referable to interest, dividends, royalties, non-taxable Australian real property capital gains or amounts that are not from Australian source.

A final withholding tax rate of 30% will apply to fund payments attributed or distributed to investors that are not residents of information exchange countries.

A 'final' withholding tax means that tax is deducted from the relevant component of the investor's Fund attribution or distribution and the investor is not required to lodge an Australian tax return in respect of this component. Further, expenses incurred in connection with deriving this income cannot be claimed as a deduction against this income in Australia.

Tax on disposal of units

Where a non-resident investor and their associates hold less than 10% of the units in the Fund, the investor should not be subject to Australian capital gains tax on disposal of units.

6.3 Foreign Account Tax Compliance Act and Common Reporting Standard

The Fund is required to collect and report financial account information about US tax residents or certain entities that have US controlling persons to the Australian Taxation Office ("ATO"). The Tax Information included with the

Investment Application Form must be completed by all investors and requires self-certification of an investor's tax status under US law. This information may be forwarded by the ATO onto the US Internal Revenue Service.

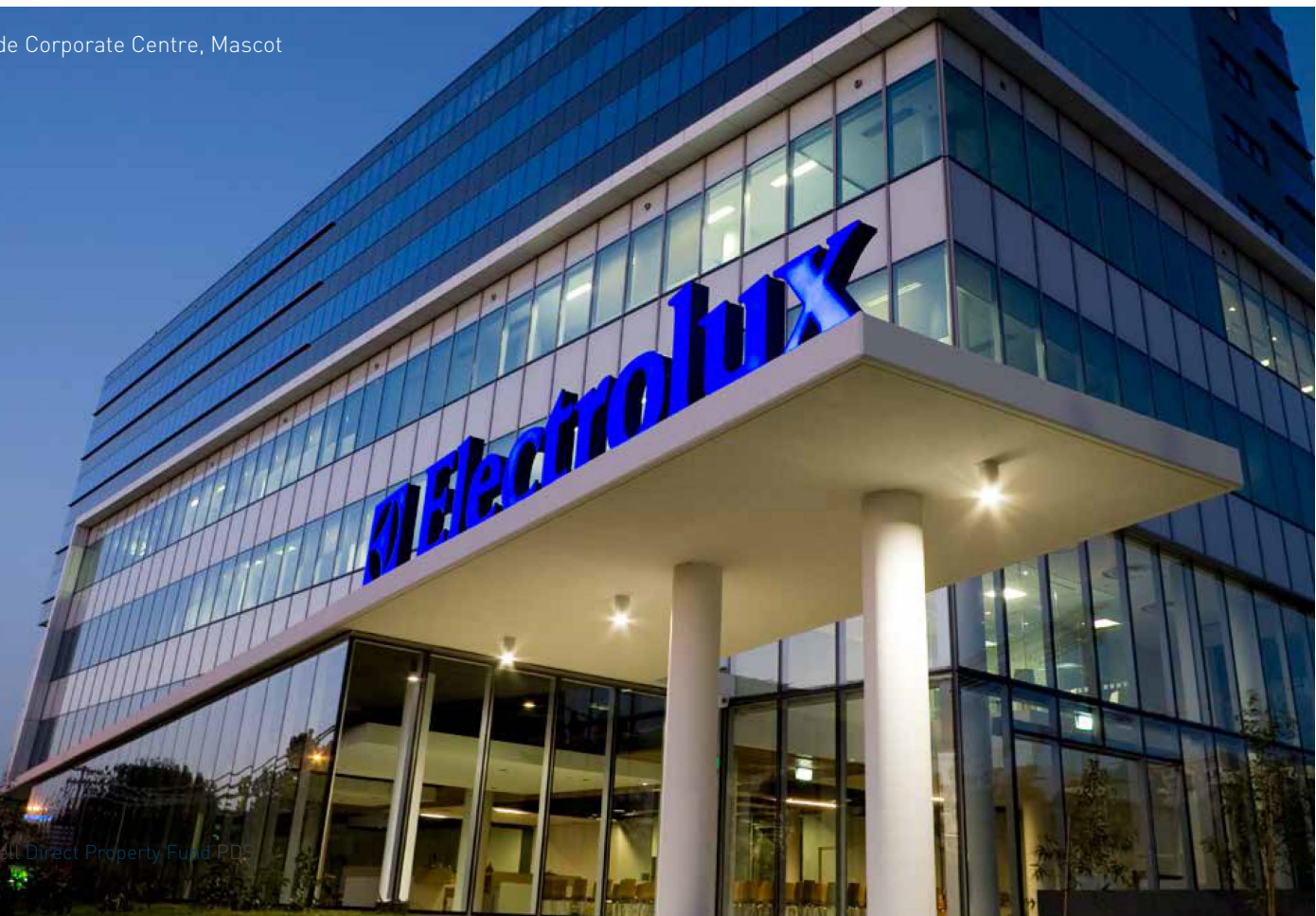
The Fund is also required to separately collect and report financial account information for all non-resident investors and certain entities with non-resident controlling persons under the Common Reporting Standard ("CRS") to the ATO. CRS applies from 1 July 2017. The ATO may exchange this information with the participating foreign tax authorities of those non-residents.

To assist us in complying with these obligations, we may request certain information from you.

6.4 Indirect Investors

The taxation information in this PDS does not consider the treatment of indirect investors. Indirect investors should consult their tax adviser in relation to investing through an IDPS.

Altitude Corporate Centre, Mascot



7. Applications & Withdrawals

7.1 How to Invest

The method of investing in the Fund depends on whether the investor is a direct or indirect investor. CFM reserves the right to establish higher or lower minimum investment amounts or minimum balances than those stated in this PDS, or to decline part or all of any application. Investors should retain a copy of this PDS and any supplementary documents for future reference if they wish to make additional investments. All application monies will be held in an interest bearing trust account. Interest will not be paid to applicants and any interest earned on application funds will be paid to the Fund.

CFM does not intend to allow any resident investor to hold 20% or more and no individual non-resident investor to hold 10% or more of the units on issue in the Fund at any time.

DIRECT INVESTORS

Direct investors should complete the application form available online at www.cromwell.com.au/dpf or by calling Cromwell's Investor Services Team on 1300 268 078, and return it to CFM with their initial investment. Initial investments must be a minimum of \$10,000. Payments must be made by way of cheque, BPay®, direct debit or electronic transfer.

Additional investments of at least \$1,000 can be made at any time by completing an additional units application form and returning it to CFM along with payment, which can be made via cheque, BPay®, direct debit or electronic transfer.

An application will not be accepted until payment has been received in full as cleared funds and FATCA and CRS self-certifications have been completed.

Refer to Section 6.3 and 10 for further information.

INDIRECT INVESTORS

Investors can make investments indirectly through an IDPS by directing the IDPS operator to acquire units in the Fund on their behalf.

Indirect investors do not become unitholders in the Fund and accordingly they do not acquire the same rights as direct investors. Those rights are acquired by the IDPS operator.

The IDPS operator can exercise or decline to exercise the rights they have as a unitholder on the investor's behalf according to the arrangements governing the IDPS.

7.2 Cut Off Times for Applications

Where properly completed application forms and application monies are received before 1.00pm AEST (or AEDT when observed) on a Sydney business day, investors receive the issue price applying at the close of business on

that day. Sydney public holidays and Sydney bank holidays are not regarded as Sydney business days.

Properly completed application forms and application monies received after 1.00pm AEST (or AEDT when observed) on a Sydney business day are taken to be received on the next Sydney business day.

7.3 Cooling Off Rights

DIRECT INVESTORS

Under the Corporations Act, a 14 day cooling off period applies to an investment made in the Fund by retail clients. If during the cooling off period an investor decides the investment does not meet their needs, then they should advise CFM in writing or electronically.

The 14 day period commences at the end of the fifth business day after units are issued, or when an investor receives their transaction confirmation, whichever is earlier. The cooling off period will lapse if an investor transacts on their account within the 14 days.

Refunds will be processed at the issue price on the day the refund is made. Investors should note that, as a result, the amount to be refunded will be increased or reduced for pricing movements since the issue date of the units.

Further, any tax, fees or duty incurred, as well as the buy/sell spread, may be deducted. This could result in the amount returned being greater or less than the original investment.

INDIRECT INVESTORS

Indirect investors should consult the IDPS operator about any cooling off rights they may have.

7.4 Withdrawals

LIMITED MONTHLY WITHDRAWAL FACILITY

CFM intends to offer a Limited Monthly Withdrawal Facility to investors each month. If the Limited Monthly Withdrawal Facility is offered, the amount available to meet withdrawal requests in any month will be the greater of an amount equal to 0.5% of the Fund's net asset value and (if CFM believes it appropriate, given the Fund's future cash requirements) the amount by which the Fund and its sub-trust's cash exceeds 6% of its net asset value. The amount available will be determined as at the day before the withdrawals are processed. Accordingly, if the amount required to meet withdrawal requests in any month exceeds the amount CFM determines to be available, withdrawal requests will only be met pro-rata. The unfulfilled part of the withdrawal requests will be carried forward to the next month and treated as new withdrawal requests for the unfulfilled amount (unless the request is withdrawn by the investor).

Example: If the Fund's net asset value at the relevant time is \$130 million, and CFM determines the amount to be available for withdrawal requests is 0.5%, then \$650,000 is available to meet withdrawal requests received before the relevant cut off time. If withdrawal requests received totalled \$750,000 and an investor requested a withdrawal of \$90,000, then the investor would receive a withdrawal payment of \$78,000 (being $\$90,000 \times \$650,000 / \$750,000$), with the balance being carried forward to the next month.

The unfulfilled part of any withdrawal request made by an IDPS operator under the Limited Monthly Withdrawal Facility will not be carried forward to the next month (unless a specific request is received from the IDPS operator). Refer to Section 1.12 for further information.

Withdrawal requests lodged after 1pm AEST (or AEDT when observed) on the last business day of a month will be deemed received the following month.

The withdrawal price will be determined on the business day before the redemption is processed, not when the request is lodged or accepted. Accepted withdrawal requests will normally be processed within 15 days after the end of the month in which they are received and then paid within two business days after processing. However, under the Constitution, CFM is allowed up to 365 days in which to meet any withdrawal requests.

Where accepting a withdrawal request would result in the value of any investor's remaining unitholding being less than \$10,000, CFM reserves the right to treat the withdrawal request as applying to the whole of the investor's unitholding.

If the Limited Monthly Withdrawal Facility is being offered in any month, at the start of the month CFM will advise investors of the estimated amount available to meet withdrawal requests at www.cromwell.com.au/dpf.

PERIODIC WITHDRAWAL OPPORTUNITIES

After the end of each 5 year period, CFM intends to send a notice to all investors giving them an opportunity to withdraw from the Fund (under a Periodic Withdrawal Opportunity). The withdrawal price payable for requests under the Periodic Withdrawal Opportunity will be calculated on the day before the withdrawal payment is made, in accordance with the Fund's Constitution and unit pricing policy. Withdrawal requests must be received within the stated notice period which will be clearly disclosed prior to each Periodic Withdrawal Opportunity. CFM will suspend the Limited Monthly Withdrawal Facility during the notice period.

So long as withdrawal requests do not total 50% or more of the Fund's units on issue on the first business day after the close of the notice period, then CFM will seek to satisfy withdrawal requests within six months after the end of

the notice period. Withdrawal requests may be funded from cash, the sale of assets, the issue of new units, the use or borrowings, or CFM may also seek to facilitate unit transfers between investors wishing to withdraw and potential purchasers.

If all withdrawal requests can be satisfied in the stated period, then the Fund will continue and the next withdrawal opportunity will be made available each five years following.

If all withdrawal requests cannot be satisfied in the stated period, or if withdrawal requests received total more than 50% of the Fund's units on issue on the first business day after the close of the notice period, CFM will take steps to wind up the Fund in accordance with the Constitution and distribute net proceeds to investors.

SUSPENSION OR VARIATION OF WITHDRAWALS

Notwithstanding the above, withdrawals may be suspended in certain circumstances or generally if CFM believes it is in the best interests of investors to do so. In addition, CFM must, at all times, ensure that investors in the Fund are not unfairly treated by any withdrawal facility offered. CFM may therefore vary the terms and conditions of any withdrawal facility to ensure the fair and equal treatment of all investors. Any variation will be communicated to investors via www.cromwell.com.au/dpf.

For further information about withdrawals, see 'ASIC Benchmarks and Disclosure Principles: Cromwell Direct Property Fund' online at www.cromwell.com.au/dpf.

INDIRECT INVESTORS

The above information about withdrawals from the Fund will apply to the operator of the IDPS and not the indirect investor. Indirect investors should consult the IDPS about withdrawals from the Fund.

7.5 Transferring Units

An investor can transfer units in the Fund to another person by providing CFM with a completed standard transfer form signed by both the transferor and the transferee. CFM reserves the right to decline transfer requests in its absolute discretion including when a transfer is not completed correctly, is not stamped, if any resident investor would hold 20% or more of units or if any individual non-resident investor would hold 10% or more of units.

CFM intends to maintain a register of potential buyers and sellers of units and can assist to match buyers and sellers, subject to strict regulatory limitations.

Tax implications could be associated with the transfer of units. Investors should discuss their circumstances with their professional adviser before requesting a transfer.

8. Investment Services

8.1 Customer Service and Enquiries

Cromwell utilises the services of Boardroom Pty Limited to manage the Fund's registry. Investors and financial advisers can set up a user account with Boardroom to administer aspects of a holding online. Visit www.investorserve.com.au/cromwell for further details.

For further information about an investment in the Fund, contact Cromwell's Investor Service team.

Brisbane office hours: 8:30 am and 5:00 pm, Monday to Friday (except public holidays)

Phone: 1300 268 078

Fax: 07 3225 7788

Email: invest@cromwell.com.au

In writing: Cromwell Funds Management Limited
GPO Box 1093
Brisbane, QLD 4001
AUSTRALIA

8.2 Communicating with Investors

Units in the Fund are "ED (Enhanced Disclosure) Securities" as defined under the Corporations Act, and consequently the Fund is a "disclosing entity" as defined under the Corporations Act.

As a disclosing entity, the Fund is subject to regular reporting and disclosure obligations and must lodge various documents with ASIC. Copies of documents lodged with ASIC in relation to the Fund may be obtained from, or inspected at, an ASIC office. Investors are entitled to obtain a copy of the following documents:

- the annual financial report of the Fund most recently lodged with ASIC;
- any half year financial report lodged with ASIC by the Fund after lodgement of the most recent annual financial report and before the date of the PDS; and
- any continuous disclosure notices given by the Fund after lodgement of the most recent annual report and before the date of the PDS. Continuous disclosure notices can also be found at www.cromwell.com.au/dpf.

DIRECT INVESTORS

Direct investors, that is, investors not investing via an IDPS, will receive the following communications from CFM, unless they elect otherwise:

- an investment confirmation following the issue of units;
- quarterly investment statements detailing their investment transactions;
- quarterly investment reports detailing the performance and activities of the Fund;

- an annual transaction statement; and
- an AMIT member annual statement detailing information required for inclusion in the investors income tax return.

Annual financial reports will be made available at www.cromwell.com.au/dpf. They will not be sent to investors unless requested.

INDIRECT INVESTORS

An indirect investor will not receive statements, tax information or other information directly from CFM. An indirect investor should receive equivalent information from the operator of the IDPS. Up to date access to investment information is also available online at www.cromwell.com.au/dpf.

8.3 Complaints Handling

The Fund's Constitution and Complaints Handling Policy set out the guidelines by which CFM is to receive, consider, investigate and respond to complaints by investors who express dissatisfaction with the management, administration, products, services, staff or the handling of a complaint in relation to the Fund.

If investors wish to make a complaint, CFM can be contacted via:

Fax: +61 7 3225 7788

Email: complaints@cromwell.com.au

In writing: The Dispute Resolution Officer
Cromwell Funds Management Limited
GPO Box 1093
Brisbane, QLD 4001
AUSTRALIA

CFM will acknowledge any complaint in writing immediately. CFM will within 30 days investigate, properly consider and decide what action (if any) to take or offer regarding the complaint and provide a response by communicating its decision to the investor.

CFM may, at its discretion, give any of the following remedies to a complainant:

- information and explanation regarding the circumstances giving rise to the complaint;
- an apology;
- compensation for loss incurred by the investor as a direct result of the breach (if any); and/or
- other such remedies as CFM considers appropriate.

If the investor is dissatisfied with the decision made by CFM, the investor may refer the complaint to the Australian Financial Complaints Authority (AFCA), an external, independent and impartial ombudsman service of which CFM is a member, at the address set out below:

Australian Financial Complaints Authority Limited
GPO Box 3
Melbourne, VIC 3001
AUSTRALIA

Alternatively, further information is available by contacting the AFCA on:

Phone: 1800 931 678 (free call)

Website: www.afca.org.au

Email: info@afca.org.au

8.4 Privacy Statement

Cromwell has a Board approved privacy policy, which includes CFM. CFM collects and manages personal information in accordance with this policy, the Privacy Act 1988 (Cth) and the Australian Privacy Principles.

The application form accompanying this PDS requires an investor to provide personal information. CFM and service providers to CFM or the Fund may collect, hold and use personal information in order to assess an application, service an investor's needs, send marketing communications about other Cromwell investment opportunities, provide facilities and services to investors, CFM or the Fund and for other purposes permitted under the Privacy Act 1988 (Cth). Tax, company and anti-money laundering law also require some of the information to be collected in connection with an application. If an investor does not provide the information requested or provides us with incomplete or inaccurate information, their application may not be able to be processed efficiently, or at all.

Information may be disclosed to an investor's financial adviser and to CFM's agents and service providers on the basis that they deal with such information in accordance with Cromwell's privacy policy.

Personal information may also be used by us to administer, monitor and evaluate products and services, gather, aggregate and report statistical information, assist an investor with any queries and take measures to detect and prevent fraud and other illegal activity. CFM may also be allowed or obliged to disclose information by law. If an investor has concerns about the completeness or accuracy of the information CFM has about them or would like to

access or amend personal information held by CFM, they can contact Cromwell's privacy officer using the contact details provided. A copy of Cromwell's privacy policy can be obtained from www.cromwellpropertygroup.com or from the privacy officer.

Further information can be obtained by contacting:

The Privacy Officer
Cromwell Property Group

Phone: +61 7 3225 7777

Fax: +61 7 3225 7788

8.5 Anti-Money Laundering and Counter Terrorism Financing

In making the offer contained in this PDS and in operating the Fund, CFM is required to comply with the Anti-Money Laundering and Counter-Terrorism Financing ("AML/CTF") legislation. This means that CFM will require investors to provide personal information and documentation in relation to their identity when they invest in the Fund. CFM may need to obtain additional information and documentation from an investor to process their application or subsequent transactions or at other times during their investment.

CFM needs to identify an investor (including all investor types noted on the application form), an investor's legal representative or anyone acting on the investor's behalf (including under a power of attorney), prior to the issue or transfer of units in the Fund. CFM cannot issue units until all relevant information has been received and an investor's identity has been satisfactorily verified, and in these circumstances CFM will not be liable for any resulting loss.

In some circumstances, CFM may need to re-verify this information.

CFM may be required to disclose this information to the Australian Transaction Reports and Analysis Centre ("AUSTRAC") or other government bodies. CFM may be prohibited from informing you of such disclosure.

By applying to invest in the Fund, investors also acknowledge that CFM may decide to delay or refuse any request or transaction, including by suspending the issue, transfer or withdrawal of units in the Fund, if it is concerned that the request or transaction may breach any obligation of, or cause CFM to commit or participate in an offence under AML/CTF legislation. CFM will incur no liability to any investor if it does so.

9. Additional Information

9.1 Constitution

The Constitution, this PDS, the Corporations Act and other laws such as the general law relating to trusts, govern the relationship between the investors and CFM.

The Constitution establishes the managed investment scheme known as the Cromwell Direct Property Fund.

The Constitution sets out the basis upon which CFM is appointed responsible entity of the Fund. The responsible entity or the appointed custodian holds the assets of the Fund at all times on trust for the investors subject to the provisions of the Constitution and the Corporations Act.

A number of the provisions of the Constitution have been dealt with elsewhere in this PDS. Other important provisions of the Constitution are set out below. You can inspect a copy of the Constitution at ASIC or CFM head office, or request a copy by contacting us on 1300 268 078.

Generally the Constitution:

- defines when the Fund may be wound up and what investors are entitled to receive on winding up;
- details the powers and responsibilities of CFM as responsible entity to manage and administer the Fund; and
- states that an investor's liability is generally limited to the amount paid or which remains unpaid on that investor's units, however higher courts are yet to determine the effectiveness of these types of provisions.

In relation to CFM's powers, duties and liabilities as responsible entity of the Fund, the Constitution:

- allows CFM to reject applications for units, in whole or in part, at CFM's discretion and without giving reasons;
- allows CFM to set a minimum investment to be made in the Fund;
- provides that, unless the Corporations Act or other law provides otherwise or CFM acts fraudulently, negligently or in breach of trust involving a failure to show the degree of care and diligence required of it having regard to the powers, authorities or discretions conferred on it by the Constitution, CFM is not liable for any loss suffered in any way relating to the Fund; and
- allows CFM to change the Constitution, but only with investors' approval if the change would adversely affect the rights of investors.

9.2 Compliance Plan and Committee

The Compliance Plan outlines the principles and procedures which CFM intends to follow to ensure that it complies with the provisions of its Australian financial services licence, the Corporations Act and the Constitution.

Each year the Compliance Plan is independently audited as required by the Corporations Act and a copy of the auditor's report is lodged with ASIC.

CFM has a compliance committee with a majority of external members. The functions of the compliance committee include:

- assessing the adequacy of the compliance plan and recommending any changes; and
- monitoring compliance with the compliance plan and reporting findings to CFM.

9.3 Disclosure of Interests

No expert or any firm in which any expert is a partner has any interest in the offer under the PDS and no amounts have been paid or agreed to be paid (other than normal fees) to any expert or any firm in which they are a partner for services rendered by the expert or the firm in connection with the offer under this PDS.

9.4 Interests and Fees of Other Parties

Other than as set out below or elsewhere in the PDS, no director of CFM or any person named in the PDS as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of the PDS has, within the two year period prior to the date of this PDS, had an interest in the promotion of the Fund and no amounts, whether in cash or shares or otherwise, have been paid or agreed to be paid to any director or proposed director either to induce him to become, or to qualify as, a director, or otherwise for services rendered in connection with the promotion of the Fund.

9.5 Consents

BOARDROOM PTY LIMITED

Boardroom Pty Limited has given its written consent to be named in this PDS in the form and context in which it is named and has not withdrawn its consent prior to the date of the PDS.

9.6 Directors of CFM

Some of the directors of CFM (and entities associated with the directors of CFM) hold securities in Cromwell Property Group. CFM is a wholly-owned subsidiary of CCL. Therefore, the directors will benefit indirectly from any profit generated by CFM from promoting and managing the Fund.

9.7 Related Party Transactions

Related party transactions with Cromwell entities are reviewed and approved by senior management and the CFM Board or a Board Committee, in accordance with clearly identified governance policies and guidelines. Decisions in relation to any conflict of interest and related party transactions are documented.

PROPERTY TRUSTS

CFM or another related entity of Cromwell is the responsible entity or trustee of Property Trusts into which the Fund is invested in or may invest in the future. The Fund may also invest in Property Trusts managed by other investment managers. Units in any such trusts will be acquired on arm's length terms and rank equally with other units on issue. CFM and/or another related entity of Cromwell may receive fees from any Property Trusts it manages.

See Section 5.3.3 for further information.

SERVICE PROVIDERS

CFM has appointed a number of related entities to provide services to the Fund, including:

- Cromwell Property, provides property, facilities management and leasing services to the Fund in relation to any Direct Property owned by the Fund;
- Cromwell Projects, provides project management services to the Fund in relation to any Direct Property owned by the Fund;
- Cromwell Operations, provides accounting and related services to the Fund;
- Cromwell Seven Hills Pty Ltd ("Cromwell Seven Hills"), acts as trustee for some of the sub-trusts through which the Fund owns Direct Property;
- Cromwell BT Pty Ltd ("Cromwell BT"), provides custodial services to the Fund; and
- Cromwell Capital Pty Ltd ("Cromwell Capital"), provides finance arrangement and other related services to the Fund.

CFM has also appointed the above related entities to provide services to Property Trusts into which the Fund invests.

Cromwell Property, Cromwell Projects, Cromwell Operations, Cromwell Seven Hills, Cromwell BT, and Cromwell Capital provide services to the Fund under a written arrangement. The appointment of these entities is not exclusive and CFM or the related party entities may engage external service providers to undertake some or all of the functions noted in their relevant agreements.

The appointment of these entities has been done in accordance with CFM's policies and has been made on arm's length commercial terms at market rates or better. Compliance with these policies is monitored in accordance with the Fund's Compliance Plan.

CFM, Cromwell Property, Cromwell Projects, Cromwell Operations, Cromwell Seven Hills, Cromwell BT, and Cromwell Capital are wholly-owned subsidiaries of CCL.

Cromwell Property is a licensed real estate business that may provide some of the following services to the Fund in relation to Direct Property owned by the Fund from time to time:

- strategic advice on management of properties owned by the Fund;
- arranging the sale of properties owned by the Fund;
- management of premises;
- leasing services; and
- property management and project supervision.

The value of any financial benefit received by Cromwell Property is in the form of fees received from the Fund. Cromwell Property has received property and facilities management fees at the date of this PDS in relation to the Direct Property owned by the Fund. Cromwell Property receives leasing fees calculated as a percentage of average annual rentals for new and extended leases. Fees are set and reviewed annually having regard to the nature and scope of work performed and taking into account similar fees charged by other managers and service providers and, in relation to property and facilities management services, data published by the Property Council of Australia in relation to similar assets.

Cromwell Projects may engage in project management or technical advisory services for the Fund. Fees for these services are calculated as a percentage of the total project cost. At the date of this PDS, Cromwell Projects has received

fees from the Fund as a result of the Fund's Direct Property investments.

Cromwell Operations undertakes accounting and other administrative functions for Cromwell and its managed funds. Cromwell Operations provides accounting services and may provide administrative services to the Fund from time to time.

The value of the financial benefit received by Cromwell Operations for accounting services would be in the form of fees received from the Fund. However, at the date of the PDS, Cromwell Operations does not intend to charge any fees for the accounting and other administrative services it provides. If fees are charged, they will be set and reviewed annually having regard to the nature and scope of work performed and taking into account similar fees charged by other managers and service providers, and the cost of providing the services.

Cromwell BT is the Custodian of the Fund. The value of the financial benefit received by Cromwell BT would be in the form of fees received from the Fund. However, at the date of the PDS, Cromwell BT does not intend to charge any fees for the custodial services it provides. If fees are charged, they will be set and reviewed annually having regard to the nature and scope of work performed and taking into account similar fees charged by other managers and service providers.

Cromwell Seven Hills may receive acquisition fees where it acts as trustee of wholly-owned sub-trusts established to acquire Direct Property, but only to the extent these fees have not already been received by CFM.

Cromwell Capital undertakes finance arrangement services, including advising on and negotiating of new and existing debt facilities. It is expected that Cromwell Capital is to provide finance arrangement services to the Fund from time to time.

CFM may also appoint other related parties from time to time to undertake services for the Fund.

OTHER

In addition, Cromwell Property Group may assist with the acquisition(s) of direct property, for example, by providing a loan, making an additional investment in the Fund making a co-investment with the Fund. Any such assistance would be provided on arm's length terms.

FURTHER INFORMATION

For further information on related party transactions, including a summary of key elements of the relevant policies, see 'ASIC Benchmarks and Disclosure Principles: Cromwell Direct Property Fund' online at www.cromwell.com.au/dpf.

As appropriate, CFM will provide ongoing updates of material service engagements and financial benefits that are paid to related parties through updates to investors. Any updates can be found on our website at www.cromwell.com.au/dpf.

The value of related party payments are also reported yearly as part of the Fund's audited annual accounts. Audited annual accounts for the Fund are prepared and available on our website www.cromwell.com.au/dpf.

10. Glossary

A-REIT	Australian real estate investment trust
AMIT	Attribution Managed Investment Trust
ASIC	Australian Securities and Investments Commission
ATO	Australian Taxation Office
Benchmark	PCA/MSCI Unlisted Retail Property Fund Core Index
CFM	Cromwell Funds Management Limited ABN 63 114 782 777, AFSL 333214 The responsible entity of the Cromwell Direct Property Fund ARSN 165 011 905 and issuer of this PDS
CCL	Cromwell Corporation Limited ABN 44 001 056 980
Constitution	The constitution of the Fund as amended from time to time
Corporations Act	Corporations Act 2001 (Cth)
CPS	Cromwell Property Securities Limited ABN 11 079 147 809, AFSL 238052
Cromwell	Cromwell Property Group (ASX:CMW), comprising CCL and DPT (the responsible entity of which is CPS) and all wholly-owned subsidiaries
Cromwell Capital	Cromwell Capital Pty Ltd ABN 47 098 390 768
Cromwell Operations	Cromwell Operations Pty Ltd ABN 44 107 377 677
Cromwell Projects	Cromwell Project & Technical Solutions Pty Ltd ABN 46 152 674 069
Cromwell Property	Cromwell Property Services Pty Ltd ABN 68 080 159 280
Cromwell Seven Hills	Cromwell Seven Hills Pty Ltd ABN 61 128 764 125
Custodian	Cromwell BT Pty Ltd ABN 31 166 719 866 or such other custodian as appointed by CFM from time to time. The Custodian will hold legal title to assets on behalf of the Fund
Direct Property	Property assets acquired exclusively for the Fund and can include assets under construction. These property assets may be acquired directly or by acquiring units in a wholly owned subsidiary property trust
DPT	Cromwell Diversified Property Trust ARSN 102 982 598
EBITDA	Earnings before interest, tax, depreciation and amortisation
FATCA	Foreign Account Tax Compliance Act
Fund	Cromwell Direct Property Fund ARSN 165 011 905
Gearing Ratio	The number calculated in accordance with the formula set out in Section 1.7
Gross Assets	In relation to Direct Property, the gross asset value of the property assets. In relation to Property Trusts, this means the Fund's proportionate share of the gross asset value of the property assets of the Property Trust. For any other property held by the Fund, this means the gross asset value of such property
ICR	The indirect cost ratio
IDPS	Investor directed portfolio service
Initial Issue Price	The initial unit price of the relevant Property Trust per the constitution (usually \$1.00)
Interest Cover Ratio	The number calculated in accordance with the formula set out in Section 1.7
Limited Monthly Withdrawal Facility	The monthly withdrawal facility which may be offered by CFM as described in Section 7.4
Look-Through Gearing	The Gearing Ratio re-calculated to also include the Fund's proportionate share of assets and liabilities of Property Trusts into which the Fund invests

Look-Through Interest Cover	The Interest Cover Ratio re-calculated to also include the Fund's proportionate share of earnings and interest expense of Property Trusts into which the Fund invests
MIT	Managed Investment Trust
NTA	Net tangible assets
PDS	Product Disclosure Statement
Property Trusts	Refers to the Fund's investment in units of trusts where the property asset is not exclusively purchased for the Fund. These trusts may include but are not limited to registered managed investment schemes, unregistered wholesale trusts, and registered wholesale trusts
Practical Completion	The completion of the relevant building to such an extent that the tenant can occupy the building
WALE	Weighted average lease expiry

Corporate Directory

Responsible Entity

**CROMWELL FUNDS
MANAGEMENT LIMITED**
ABN 63 114 782 777, AFSL 333214

Level 19, 200 Mary Street
BRISBANE QLD 4000

www.cromwell.com.au

Telephone: +61 7 3225 7777

Facsimile: +61 7 3225 7788

Custodian

CROMWELL BT PTY LTD
ABN 31 166 719 866

Level 19, 200 Mary Street
BRISBANE QLD 4000

www.cromwell.com.au

Telephone: +61 7 3225 7777

Facsimile: +61 7 3225 7788

Registrar

BOARDROOM PTY LIMITED
ABN 14 003 209 836

Level 12, 225 George Street
SYDNEY NSW 2000

www.boardroomlimited.com.au

Telephone: 1300 737 760

Facsimile: 1300 653 459



CROMWELL
PROPERTY GROUP