

CROMWELL PHOENIX PROPERTY SECURITIES FUND



● ● ● Phoenix Portfolios

ARSN 129 580 267 | APIR Code CRM0008AU

Product Disclosure Statement

16 December 2021

This Product Disclosure Statement dated 16 December 2021 (PDS) for the Cromwell Phoenix Property Securities Fund (Fund) provides a summary of significant information about the Fund. This document includes references to important information on the Fund's webpage at: www.cromwell.com.au/psf, each of which forms part of this PDS. You should consider this document and the Additional Information Document (AID) on the Fund's webpage before making a decision about an investment in the Fund. The information in this PDS is general information only and does not take into account your personal financial situation or needs. You should obtain financial advice tailored to your personal circumstances.

Cromwell Funds Management Limited ABN 63 114 782 777, AFSL 333214 (CFM, we, us) is the responsible entity of, and issuer of units in, the Fund and the issuer of this PDS. Phoenix Portfolios Pty Ltd ABN 80 117 850 254, AFSL 300 302 (Phoenix) is the investment manager of the Fund. None of CFM, Phoenix or their related entities, directors or officers makes any promise or representation or gives any guarantee as to the success of the Fund, distributions, the amount you will receive on any withdrawal, your income or capital return or the taxation consequences of investing.

The custodian of the Fund is Link Fund Solutions Pty Limited ABN 44 114 914 215 (Corporate Authorised Representative of Pacific Custodians Pty Limited ABN 66 009 682 866, AFSL 295 142) (LFS). An investment in the Fund is not a deposit with, or other liability of, any LFS group company and is subject to investment risk including possible delays in repayment and loss of income or principal invested. Neither LFS nor any other LFS group company guarantees the performance of the Fund, the repayment of capital from the Fund or any particular rate of return.

The information in this PDS 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, if so, will be available at: www.cromwell.com.au/psf. A copy of any updated information will be provided by CFM free of charge upon request. If a change is materially adverse or if it relates to the terms and conditions of this PDS, CFM will give 30 days' prior notice to investors.

For the answer to any questions you have regarding the Fund, contact your financial adviser or:

Responsible Entity:

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1. About Cromwell Funds Management Limited and Phoenix Portfolios Pty Ltd

CFM is a wholly owned entity of ASX-listed Cromwell Property Group (Cromwell) and is the responsible entity of the Fund.

Further information on Cromwell is available from www.cromwellpropertygroup.com.

CFM is responsible for managing the Fund in accordance with the Fund's constitution, for developing the Fund's investment strategy and for appointing and monitoring the performance of service providers to the Fund.

Phoenix has been appointed as the investment manager of the Fund. Established in 2006, Phoenix has built a solid track record across a variety of A-REIT mandates, property securities funds and Australian microcap securities, culminating in numerous industry awards. Phoenix is a boutique equity investment manager which is jointly owned by Cromwell and Phoenix staff. Joint ownership with Phoenix staff promotes long term staff stability and a strong alignment of interest between staff and investors.

Further information on Phoenix is available at www.phoenixportfolios.com.au.

2. How the Cromwell Phoenix Property Securities Fund works

The Fund is a managed investment scheme registered with the Australian Securities and Investments Commission (ASIC) and subject to the *Corporations Act 2001* (Cth) (Corporations Act). When you invest in the Fund, your money is pooled together with other investors' money and used to acquire assets in accordance with the Fund's investment strategy for the benefit of all investors.

When an application is accepted, CFM issues the applicant with units in the Fund. Those units represent your share in the value of the net assets held by the Fund. The number of units issued to you will depend upon the amount you invest and the unit price calculated for the day on which CFM accepts your application. If you invest through an Investor Directed Portfolio Service (IDPS), such as a wrap or investment platform, the IDPS operator will hold units in the Fund on your behalf. However, all units in the Fund are issued on the same terms and conditions, so that, for example, all units have the same price on any day and carry equal rights to distributions.

2.1 Applications

How you invest in the Fund will depend upon whether you are a direct investor or an indirect investor. For further information on making an investment see "How to apply" in Section 8. Initial investments must be at least \$10,000. Additional investments of at least \$1,000 can also be made. CFM can vary or waive minimum amounts at any time.

2.2 Withdrawals

If you are a direct investor: You should complete a Withdrawal Request Form (available from the Cromwell website) and return it to the Fund's registrar, Boardroom Pty Ltd (Boardroom or the Registrar). Withdrawals will normally be processed and paid within five business days of the Withdrawal Request Form being received.

If you are an indirect investor: You can only withdraw through the IDPS operator in accordance with the IDPS's terms and conditions.

For all investors, the minimum amount that can be withdrawn is \$10,000 (or a lesser amount at CFM's discretion). If a withdrawal could result in an investor holding less than \$10,000, then CFM may regard the withdrawal request as being for the entire amount invested. In some circumstances, such as when withdrawals are suspended, you may not be able to withdraw from the Fund within the usual period. Under the Fund's constitution, in specified circumstances, CFM can suspend withdrawals for up to 180 days. Any withdrawal request received during a period of suspension will be taken to have been received by CFM immediately after the end of the suspension period. The Corporations Act also contains provisions about when the Fund will be deemed "illiquid" and what that means for your rights to withdraw from the Fund.

You should read the important information about withdrawing from the Fund before making a decision. Go to the AID on the Fund's webpage at www.cromwell.com.au/psf. The material relating to withdrawals may change between the time you read this PDS and the day when you acquire the product.

2.3 Unit pricing

The value of your investment, which is represented by the value of the units in the Fund you hold or your IDPS operator holds on your behalf, will vary from day to day as the market value of the Fund's assets and liabilities rises and falls.

Those rises and falls are reflected in the Fund's unit prices. Unit prices are usually calculated each Sydney business day in accordance with the Fund's constitution. To the extent that the Fund's 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 discretion exercised outside the policy by calling Cromwell's Investor Services Team on 1300 268 078.

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 you have invested in the Fund, will depend upon the unit price calculated for the relevant day. The issue price and withdrawal price on any day will differ because the issue price will be adjusted for the buy spread and the withdrawal price will be adjusted for the sell spread. The buy and sell spreads reflect an estimated amount of transaction costs and may be subject to change. This includes CFM's estimate of brokerage and other costs that the Fund would be expected to incur in buying and selling the assets of the Fund as a result of applications and withdrawals made by investors. The buy/sell spreads are retained by the Fund and are not paid to CFM.

2.4 Processing applications and withdrawals

Generally, if a completed Application Form and investment funds or a Withdrawal Request Form is received by the Registrar by 1pm AEST (or AEDT when observed) on any Sydney business day, it will be processed on that day using the unit price calculated for that day at the close of business.

If received by the Registrar after 1pm AEST (or AEDT when observed) on any Sydney business day, or on a Sydney non-business day, the Application Form or Withdrawal Request Form will be deemed to have been received the following Sydney business day.

In all cases, CFM can change the relevant time at its discretion upon reasonable notice.

2.5 Distributions

The Fund is expected to earn income, such as distributions, dividends, interest, foreign income and other Australian income from its investments. The Fund may also make capital gains or losses from these investments. When calculating the amount of the distribution, the estimated underlying earnings of the Fund's investments (on an annualised basis calculated quarterly) will be taken into account. Distributions are paid quarterly. The Fund expects to distribute taxable income including its net capital gains, each financial year.

Distributions are calculated in cents per unit and paid generally within 20 days after the end of each quarter 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 as additional units in the Fund. 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.

2.6 Additional information regarding distributions

The focus of the Fund is to deliver the best possible total returns over the medium to long term rather than maintaining a particular distribution level. However, CFM understands that many investors like a stable, regular distribution, particularly from their property-related investments. For this reason, the Fund will pay distributions quarterly, taking into account the expected returns based on CFM's estimate of underlying earnings from the Fund's investments on an annualised basis, calculated quarterly.

2.7 Investing through an IDPS

CFM authorises the use of this PDS by IDPS operators that include the Fund on their investment menu.

If you invest in the Fund through an IDPS, the IDPS operator will hold units in the Fund on your behalf. This means that the IDPS operator is the unitholder and has unitholder's rights. The IDPS operator can exercise, or decline to exercise, its rights as a unitholder in accordance with the arrangements governing the IDPS. Investors in the Fund via an IDPS should note that some information in this PDS may be relevant only for direct investors.

3. Benefits of investing in the Cromwell Phoenix Property Securities Fund

An investment in the Fund will provide investors with a diversified exposure to a broad range of listed property and property related securities. Those securities will be selected by investment professionals at Phoenix who have significant expertise in the assessment and selection of Australian listed property and property related securities.

The Fund's investment objectives are to:

- maximise investment returns over the medium to long term;
- minimise the risk of permanent capital loss; and
- deliver sustainable and growing distributions over the long term.

The most relevant benchmark is the S&P/ASX 300 A-REIT Accumulation Index and this has been chosen as the Fund's financial performance benchmark (Benchmark). The Fund aims to provide investors with a total return (after fees) in excess of the Benchmark over rolling three year periods. Similarly, the Fund aims to deliver lower total risk than the Benchmark, with total risk being defined as the volatility of total returns over rolling three year periods. It should be noted that these are objectives only, with the Fund not being constrained by them, and their achievement is not promised nor guaranteed.

Investing in the Fund offers investors a range of benefits:

- **Niche and focussed**
Established in 2006, Phoenix seeks to be an expert in niche sectors of the market with a focus on in-depth research to develop a knowledge-based competitive edge. Fundamental research, conducted by a highly experienced and stable investment team, has also enabled solid long-term relationships to be developed with the management teams and boards of investee companies, improving the quality and robustness of the research process.
- **Environmental, Social and Governance (ESG) aware**
In addition to a financial assessment, stocks are rated based on environmental, social and governance metrics to facilitate consideration of these factors in portfolio construction. Proxy voting is always exercised in the best interests of unitholders, even when this may conflict with the views of boards and management teams.
- **Conservative cap on funds under management**
Phoenix has capped its overall funds under management at conservative levels. This enables capital to be deployed more easily, facilitating nimble adjustments as conditions change and allowing positions in many smaller stocks often ignored by competitors and potentially offering higher returns.
- **Wide investment universe**
To provide more choice, the Fund has widened its investment universe to include a range of property related stocks such as developers and fund managers, along with infrastructure stocks with very "property-like" characteristics, such as airports and toll roads.
- **Benchmark unaware**
The Fund is managed in a benchmark unaware manner with positions based on their investment credentials, without regard to index weights.

- **Blend of income and capital growth to maximise total return over time**

A substantial portion of the Fund's total return is likely to come from rental income flowing from the underlying assets held by stocks in the portfolio. Given multi-year lease terms, this component of income is reasonably forecastable. In addition, given the wide investment universe, we also expect a component of return to be more volatile where it is derived from funds management and development activities of underlying positions. Also, given the Fund's tax status and active transactional activity, part of the distribution paid each financial year may reflect net realised capital gains. The Fund does not target a specific yield, but will instead seek to maximise total return over the medium to long term.

- **Manager is aligned with unitholders**

Phoenix has made a meaningful (> \$1m) investment in the Fund, which strengthens alignment of interests between the manager and unitholders.

4. Risks of managed investment schemes

All investments carry risk. Different investment strategies can carry different levels of risk depending upon the assets acquired pursuant to the strategy of each fund. Assets with the highest long term returns may also carry the highest level of short term risk.

The level of risk you are prepared to accept when investing in the Fund will depend upon various factors including your age, investment timeframe, overall investment portfolio and risk tolerance. Therefore, you should consider the Fund's risks in light of your particular personal circumstances and your attitude towards potential risks.

The key risks of investing in the Fund are typical of the risks associated with managed investment schemes that have an investment strategy that involves investing in shares of Australian listed companies. However, it is important that you know that the value of your investment will go up and down over time, fund returns will vary over time, future returns may differ from past returns and returns are not guaranteed. The laws affecting your investment in the Fund may also change. This means that there is always the chance that you could lose money on your investment.

A summary of the significant risks for the Fund are:

- **Security specific risk** – individual securities the Fund invests in can and do rise and fall in value for many reasons including changes in the market for or valuations of the properties in which they invest and the ability to maintain full occupancy of their properties;
- **Market risk** – the Fund's performance will depend on the performance and market value of the assets it holds;
- **Legal and regulatory risk** – the laws, regulations and government policies, including those relating to taxation, that affect the Fund and its investments may change over time and those changes could have an impact on your investment in the Fund;
- **Manager risk** – an investment in the Fund means that you are delegating some of your control over investment decisions to CFM and Phoenix. How the Fund performs depends partly on the performance of both CFM as

responsible entity and Phoenix as investment manager. The Fund may make poor investment decisions or use inappropriate or incorrect investment methods or research resulting in suboptimal returns;

- **Derivative risk** – the value of derivatives can fail to move in line with the value of the underlying asset, potentially causing them to be illiquid. There is also counterparty risk (that is, where the counterparty to the derivative contract cannot meet its obligations);
- **Liquidity risk** – if a security is not actively traded it may not be readily bought or sold without some adverse impact on the price paid or obtained;
- **Pandemic related risk** – The duration and potential impacts of the COVID-19 pandemic, on economies around the world and the potential flow-on effects for various investments held by the Fund (and on the Fund itself), is not known. The impact on different businesses, and therefore on different securities in different markets, can vary significantly. The impact of the pandemic on the Fund and its investments will continue to be monitored (together with other risk factors); and
- **ESG risk** – environmental, social and governance risks may lead to unforeseen regulatory, or other impacts that may affect investment value and performance.

You should read the important information about the risks of managed investment schemes before making a decision. Go to the AID on the Fund's webpage at www.cromwell.com.au/psf. The material relating to the risks of managed investment schemes may change between the time you read this PDS and the day when you acquire the product.

5. How we invest your money

When making a decision about whether or not to invest in the Fund you should consider the likely investment return, the risk associated with the investment and your investment timeframe.

5.1 Description of Fund

The Fund will invest primarily in Australian property securities listed on the ASX which hold underlying investments including office, retail, industrial and hotel assets. However, the Fund may also invest in a selected range of other assets, including listed property related securities, international listed property securities, cash and fixed interest.

The property related securities may include listed and previously listed property related securities, such as interests in infrastructure funds and property development companies.

The Fund's investments will not be constrained by benchmark considerations and will be managed in a 'benchmark unaware' manner.

The Fund is expected to own a minimum of 20 securities at any given time. For risk control reasons, no more than 20% of the Fund's assets will be invested in any one security.

Phoenix will seek to achieve the Fund's investment objective by choosing attractively priced securities determined by fundamental bottom-up analysis. It will use detailed yet

standardised financial models, allowing a large number of securities to be researched, compared on a relative value basis and updated to capture changes in individual securities and markets.

The type of investors for whom the Fund may be suitable include investors looking to invest in a diversified portfolio of ASX listed property and property related securities.

An investment in the Fund should form part of the equity investment component of your balanced investment portfolio and you should not consider an investment in the Fund as giving you direct exposure to the benefits from increases in the value of, or returns from, directly holding real property or an interest in land.

5.2 Investment return objective

The Fund aims to provide investors with a total return (after fees) in excess of the S&P/ASX 300 A-REIT Accumulation Index over rolling three year periods, while delivering lower total risk (as measured by the volatility of returns) over this period.

Minimum suggested timeframe for holding your investment

The minimum suggested timeframe for holding your investment is at least 3-5 years.

Asset classes and asset allocation ranges

The Fund will generally invest in keeping with the following targeted asset allocations as a percentage of its total portfolio:

INVESTMENT CLASS (% OF PORTFOLIO)	TARGET RANGE
ASX listed property and property related securities ^{1,2}	80-100%
ASX classified A-REITs ²	50-100%
International property securities	0-20%
Derivatives	0-10%
Cash ³	0-20%
Maximum position in any single security	20%

1. Includes securities expected to be listed within six months.
2. The Fund may continue to hold previously listed securities that have de-listed.
3. Upper limit may be exceeded if one or more large applications or withdrawals are received.

The relative value of each class of investment can change rapidly and significantly due to factors such as market movements or changes in the circumstances or nature of an individual Fund investment. Where such changes or other events cause the Fund to move outside its target asset allocation ranges, CFM and Phoenix will seek to rectify the position as soon as reasonably practicable.

5.3 Risk level

CFM believes that the Fund's risk level is medium. The risk of your investment falling in value over the short term is high when compared to investments in managed investment schemes that invest in asset classes such as cash or fixed interest securities. However, the Fund offers potentially more favourable returns over the medium to long term than cash or fixed interest securities. This is why the minimum suggested timeframe for an investment in the Fund is at least 3 - 5 years.

5.4 Fund performance

Up to date information on the Fund's performance and fund size is available from:

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

5.5 Labour standards, and environmental, social and ethical considerations

Environmental, social and governance (ESG) considerations have been fully incorporated into the research and portfolio construction process. Investment positioning is directly affected by ESG issues. Proxy voting is always exercised in investors' best interests, even when this may conflict with the views of boards and management teams of investee companies.

5.6 Changes to the Fund

The Fund's constitution allows a broad range of investments and gives CFM broad investment powers. CFM can change the Fund's investment manager and/or vary its investment objectives, Benchmark, asset allocation ranges and other factors which impact the Fund's investment performance. Investors will be given written notice of any material changes.

6. Fees and 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.

Information in the table on the following page can be used to compare costs between simple managed investment schemes. These fees and costs can be paid directly from your account or deducted from investment returns.

All fees set out in this section are inclusive of the net effect of Goods and Services Tax (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.

Fees and costs summary

Type of fee or cost	Amount	How and when paid
Ongoing annual fees and costs		
Management fees and costs¹ The fees and costs for managing your investment	0.95% p.a. of the Fund's average net asset value.	Accrues daily and is payable monthly in arrears. It is deducted from the Fund's assets and reflected in the unit price.
Performance fees Amounts deducted from your investment in relation to the performance of the product	Nil	Not applicable.
Transaction costs² The costs incurred by the scheme when buying or selling assets	0.005% of the Fund's net assets.	Payable when incurred. Payable from Fund assets or interposed vehicles' assets and reflected in the unit price.
Member activity related fees and costs (fees for services or when your money moves in or out of the scheme)		
Establishment fee The fee to open your investment	Nil	Not applicable
Contribution fee The fee on each amount contributed to your investment	Nil	Not applicable
Buy-sell spread An amount deducted from your investment representing costs incurred in transactions by the scheme	0.20%	Retained as an asset of the Fund whenever you invest or withdraw.
Withdrawal fee The fee on each amount you take out of your investment	Nil	Not applicable
Exit fee The fee to close your investment	Nil	Not applicable
Switching fee The fee for changing investment options	Nil	Not applicable

- Below is a breakdown of management fees and costs. See Table 1 for an example of the calculation of annual fees and costs.
- The transaction costs shown in this 'Fees and costs summary' are shown net of any amount recovered by the buy-sell spread.

Breakdown of Management Fees and Costs

Type of fee or cost	AMOUNT
Base management fee	0.82% ¹
Annual administration cost	0.10% ²
Indirect costs	0.03% ³
Total management fees and costs	0.95%

- Management fee of 0.82% p.a. of the Fund's average net assets.
- Annual administration costs as a percentage of the Fund's average net assets for the 12 months to 30 June 2021. This amount will depend on the Fund's average gross assets, however is unlikely to exceed 0.15% p.a. of the average gross assets on an ongoing basis.
- Indirect costs of investing through interposed vehicles was 0.03% p.a. of the Fund's average net assets for the 12 months to 30 June 2021. This amount will depend on the Fund's portfolio composition, however is unlikely to exceed 0.1% p.a. of the average net assets on an ongoing basis.

Table 1 Example of annual fees and costs for the Fund

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

Example:	Balance of \$50,000 with a contribution of \$5,000 during year ¹	
Contribution fees	Nil	For every additional \$5,000 you invest you will be charged \$0
PLUS Management fees and costs	0.95%	And for every \$50,000 you have in the Fund, you will be charged or have deducted from your investment between \$475 and \$523 ² each year
PLUS Performance fees	Nil	And , you will be charged or have deducted from your investment \$0 in performance fees each year
PLUS Transaction Costs	0.005%	And , you will be charged or have deducted from your investment between \$2.50 and \$2.75 ² in transaction costs
EQUALS Cost of Fund		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during the year you would be charged fees of: \$477.50 - \$525.75
		What it costs you will depend on the fees you negotiate.

- 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.

6.1 Other fees and costs

These may include additional fees and costs that apply to investors accessing the Fund through an IDPS or similar service.

Additional fees may be paid to a financial adviser if the financial adviser is consulted. You should refer to the Statement of Advice in which details of the fees are set out.

We may make payments to IDPS operators out of the fees we receive. Government fees, duties and bank charges may also apply to investments and withdrawals.

6.2 Related party transactions

CFM has entered into an investment management agreement with Phoenix on behalf of the Fund. CFM pays Phoenix out of any management fees it receives from the Fund.

6.3 Changes to fees and costs

CFM may change the fees and expenses referred to in this PDS without investors' consent. CFM will provide at least 30 days' notice to investors of any proposed increase in fees or expense recoveries or the introduction of new fees.

You should read the important information about fees and costs before making a decision. Go to the AID on the Fund's webpage at www.cromwell.com.au/psf. The material relating to fees and costs may change between the time when you read this PDS and the day when you acquire the product.

7. How managed investment schemes are taxed

Investing in managed investment schemes such as the Fund is likely to have tax consequences. Registered managed investment schemes do not pay tax on behalf of investors, instead investors are assessed for tax on any income and capital gains generated by the managed investment scheme.

The Fund has resolved to make an irrevocable choice to be an Attribution Managed Investment Trust (AMIT) for taxation purposes. As an AMIT, the Fund will continue to be a flow through entity, and investors will be attributed the net (tax) income of the Fund regardless of whether the Fund makes a distribution of income or capital. The net (tax) income and tax offsets will be attributed to investors on a fair and reasonable basis. The attribution will generally be based on the investors' rights to the income and capital in the Fund as provided for in the constitution. The responsible entity will provide investors with an AMIT member annual statement outlining the tax components.

The Australian taxation system is complex and in a continuing state of reform and investors have different circumstances. Therefore, you are strongly advised to seek professional tax advice before investing in the Fund.

You should read the important information in the AID about how managed investment schemes are taxed before making a decision. Go to the AID on the Fund's webpage www.cromwell.com.au/psf. The material relating to how managed investment schemes are taxed may change between the time when you read this PDS and the day when you acquire the product.

8. How to apply

Please note that this offer is only open to persons receiving this PDS within Australia. Read this PDS together with the AID available from **Cromwell's Investor Services Team**:

Phone: **1300 268 078**

Website: www.cromwell.com.au/psf

Email: invest@cromwell.com.au

CFM will provide a hard copy of the PDS and AID free of charge upon request.

While we are assessing your application, any interest earned on application monies is retained by the Fund.

For direct investors

Direct investors should apply online at <http://apply.cromwell.com.au> or complete the relevant Application Form contained in the Application Pack and return them to the Fund's Registrar. The Investor Application Form/s allow CFM to comply with the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth) (AML/CTF). This means that, when you apply to be an investor in the Fund, CFM will need to obtain personal information and documentation from you in relation to your identity. We may also need additional information during your investment.

CFM can only accept and process application forms that are properly completed. An application will not be accepted until payment has been received and all FATCA and CRS self-certifications have been completed.

For indirect investors

If you are investing through an IDPS, an IDPS operator will apply for units on your behalf.

8.1 Cooling off

If you are a direct retail investor, the Corporations Act gives you a 14 day cooling off period in regard to any investment you make in the Fund as a retail client. If, during the cooling off period, you decide that the investment does not meet your investment needs, then you should advise CFM or the Registrar in writing or by email.

The 14 day period commences at the end of the fifth business day after units in the Fund are issued to you or when you receive your confirmation statement - whichever is earlier.

If you request a refund, the amount to be refunded will be increased or reduced to take into account any market movements since the units were issued to you. Refunds will be processed at the issue price on the day the refund is made. Further, any tax, fees or duty incurred as well as the buy/sell spread may be deducted. As a result, the amount refunded to you may be less than your original investment.

Indirect investors should consult their IDPS operator about any cooling off rights that they have.

8.2 Complaints handling

The Fund's constitution and Complaints Handling Policy set out guidelines for CFM 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 they should write to the Dispute Resolution Officer:

By post to:

Cromwell Funds Management Limited
GPO Box 1093
Brisbane, QLD 4001

By email on: complaints@cromwell.com.au

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

If the investor is dissatisfied with the decision made by CFM, the investor may refer the complaint to the 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

Alternatively, further information is available by contacting AFCA on:

Phone: **1800 931 678 (free call)**

Website: www.afca.org.au

Email: info@afca.org.au

9. Other information

9.1 Information about the Fund

The unit price history for the Fund is available at www.cromwell.com.au/psf. As set out in Section 2, units represent the investor's share in the value of the net assets held by the Fund. See Section 2.3 for further information about unit pricing.

9.2 Customer service and investor communications

Cromwell utilises the registry services of Boardroom. As such, investors (and, if applicable, their financial advisers) can register to manage their investment/s online via a secure web portal. Information regarding this service is provided with the investor welcome pack at the time of the initial investment.

9.3 Investors and CFM

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

9.4 Compliance Plan

The compliance plan sets out the key processes, systems and measures that CFM applies in operating the Fund to ensure that it complies with the provisions of its Australian Financial Services Licence, the Corporations Act and the Fund's Constitution.

9.5 Privacy

CFM respects the privacy of its investors and is committed to protecting their personal information. The way we manage personal information is governed by the *Privacy Act 1988* (Cth) (Privacy Act) and the Australian Privacy Principles established under the Privacy Act. Cromwell's Privacy Policy is available at www.cromwell.com.au.

Cromwell may also disclose some of your personal information to external service providers, for example, LFS, who provide administration services to the Fund. LFS handles your personal information in accordance with its privacy policy, a copy of which can be found at www.linkgroup.com.

9.6 Enhanced Disclosure Securities

Units in the Fund are "ED Securities" under the Corporations Act, and consequently the Fund is a "disclosing entity".

As a disclosing entity, the Fund is subject to regular reporting and disclosure obligations. Copies of documents lodged with ASIC in relation to the Fund may be obtained from, or inspected at, an ASIC office. Investors will be 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 the 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 the lodgement of the most recent annual report and before the date of the PDS.

9.7 Consent

Phoenix has consented to being named in this PDS as investment manager and to any statements attributable to it in this PDS in the form and context in which such statements are included, and Phoenix has not withdrawn this consent before the date of this PDS.

Boardroom (as Fund Registrar) and LFS (as Fund Custodian) have each given written consent to be named in this PDS in the form and context in which each is named and neither has withdrawn its consent prior to the date of the PDS.