

Antares Wholesale Elite Opportunities Fund

Product Disclosure Statement

This Product Disclosure Statement is only for use by investors investing through a master trust, IDPS or wrap account.

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ABN 98 002 348 352 AFS Licence 232468



This is a Product Disclosure Statement (PDS) for the Commonwealth Australian Share Fund 31 ARSN 108 730 329 ABN 23 784 079 351 APIR code FSF0455AU.

The name and contact details of the responsible entity are:

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Contents

About the fund	1
How the fund manages money	2
Risks of investing	3
Fees and other costs	5
Additional information	7

What is an IDPS?

The term IDPS stands for 'investor directed portfolio service'.

An IDPS is a generic term for an investment and reporting service operated by a master trust or wrap account operator. People who invest through an IDPS are indirect investors.

What happens when I invest through a master trust, IDPS or wrap account?

When you invest via a master trust, IDPS or wrap account you are investing indirectly in the fund and as such you do not become a unitholder in the fund. It is the master trust, IDPS or wrap account operator (IDPS operator) that is the unitholder and the term 'unitholder' as used in this PDS refers to those entities. You will not receive reports or other documentation from Colonial First State in respect to this fund. Instead, these will be provided to you by your IDPS operator, who is the unitholder. Issues relating to your investment in this fund should be directed through your IDPS operator.

If any part of this PDS (such as a term or condition) is invalid or unenforceable under the law, it is excluded so that it does not in any way affect the validity or enforceability of the remaining parts.

Investments in the Commonwealth Australian Share Fund 31 (referred to in this PDS as 'the fund' or 'the Antares Wholesale Elite Opportunities Fund') are offered by Colonial First State Investments Limited ABN 98 002 348 352 AFS License 232468. Colonial First State Investments Limited or its licenced related entities to which it has delegated investment management or administration functions in relation to this product are referred to in this PDS as 'Colonial First State', 'the responsible entity', 'we', 'our' or 'us'.

Colonial First State is a subsidiary of Commonwealth Bank of Australia ('the Bank') ABN 48 123 123 124. The issue of this PDS is authorised solely by Colonial First State Investments Limited. Apart from Colonial First State neither the Bank nor any of its subsidiaries are responsible for any statement or information contained in this PDS.

The Bank and its subsidiaries do not guarantee the performance of the funds or the repayment of capital by the funds. Investments in the funds are not deposits or other liabilities of the Bank or its subsidiaries, and investment-type products are subject to investment risk, including loss of income and capital invested.

The responsible entity may change any of the terms and conditions contained or referred to in the PDS and, where a change is material, the responsible entity will notify you in writing within the timeframes provided for in the relevant legislation.

Information contained in this PDS which is not materially adverse information that is subject to change from time to time, may be updated via our website and can be found at any time by visiting colonialfirststate.com.au. A paper copy of any updated information is available free of charge on request by contacting us on 13 13 36.

You should note that unless a fund is suspended, restricted or unavailable you may withdraw from a fund in accordance with our normal processes.

If you are printing an electronic copy of this PDS, you must print all pages. If you make this PDS available to another person, you must give them the entire electronic file or printout. A paper copy of this PDS (and any supplementary documents) can also be obtained free of charge on request by calling Investor Services on 13 13 36 or by contacting your financial adviser.

The offer made in this PDS is available only to persons receiving this PDS within Australia. The offer may, at the discretion of Colonial First State, be made in New Zealand at a later date during the term of this PDS. Applications from outside Australia and New Zealand will not be accepted. If Colonial First State elects to make the offer in New Zealand, it will be available only to persons who have received the relevant offer document in New Zealand and have completed the application form attached to that offer document to make their initial investment. This will only be made in accordance with the terms of any applicable laws which allow Colonial First State to make the offer in New Zealand.

The information contained in this PDS is general information only and does not take into account your individual objectives, financial situation or needs. You should read this PDS carefully and assess whether the information is appropriate for you and consider talking to a financial adviser before making an investment decision.

Colonial First State can at any time remove an adviser or refuse to record or deal with an adviser nominated on your account.

Antares has given, and not withdrawn its consent to the statements made in the PDS in the form and context in which it is included. Antares are acting as investment manager only. It is not issuing, selling, guaranteeing, underwriting or performing any other function in relation to the product.

Colonial First State reserves the right to outsource any or all of its investment management functions, including to related parties, without notice to investors. Colonial First State may add, close or terminate a fund, or add, change or remove an investment manager of a fund or amend an investment allocation. Any change would be considered in light of the potential negative or positive impact on investors. We will notify existing investors in affected funds of any material change as soon as practicable.

All monetary amounts referred to in this PDS are, unless specifically identified to the contrary, references to Australian dollars.

About the fund

When you invest in the Antares Wholesale Elite Opportunities Fund, your money is combined with other investor's money in a managed investment scheme.

What is a managed fund?

A managed fund pools the money of many individual investors. This money is then professionally managed according to the investment objective of the fund. By investing in a managed fund and pooling your money with other investors, you can take advantage of substantial investment opportunities that you may not be able to access as an individual investor.

When you invest in a managed fund, you are allocated a number of 'units' based on the entry unit price at the time you invest. Your units represent the value of your investment, which will change over time as the market value of the assets in the fund rises and falls.

Who are the parties involved?

Colonial First State is the responsible entity for the Antares Wholesale Elite Opportunities Fund. We have appointed Antares as the investment manager for the fund.

We have an investment management agreement in place with Antares as part of our arrangement to outsource investment management of the fund. The agreement sets out how money should be invested. It may specify an appropriate benchmark, acceptable investments and investment ranges for investment management.

Appointed investment managers are subject to initial and ongoing reviews to ensure they can meet their obligations under the investment management agreement. They are required to certify and report to us on certain obligations under the investment management agreement. We also monitor the performance of the investment manager.

Antares Wholesale Elite Opportunities Fund

Objective To outperform the S&P/ASX 200 Accumulation Index, before fees and taxes, over rolling five-year periods by investing in an actively managed and highly concentrated portfolio of Australian shares.	Strategy The fund is a concentrated portfolio of Australian shares containing only Antares' highest conviction investment ideas. The fund is relatively unconstrained at the stock and sector level, allowing the manager's best ideas to be represented in the portfolio. The investment style applied to the fund is bottom-up, meaning investment decisions are made by undertaking in-depth proprietary research and analysis of individual companies and securities. Antares aims to invest in companies where the current share price does not fully reflect the manager's view of the potential value of the company's business. Through company contact and detailed financial and non-financial analysis, research analysts gain a first-hand understanding of Australian businesses and the industries in which they operate.												
Minimum suggested timeframe At least 7 years													
Risk 	Allocation¹  <table border="1"><thead><tr><th>Asset Class</th><th>Allocation</th></tr></thead><tbody><tr><td>Australian shares</td><td>95-100%</td></tr><tr><td>Cash</td><td>0-5%</td></tr></tbody></table> Benchmark <table border="1"><thead><tr><th>Asset Class</th><th>Allocation</th></tr></thead><tbody><tr><td>Australian shares</td><td>100%</td></tr><tr><td>Cash</td><td>0%</td></tr></tbody></table>	Asset Class	Allocation	Australian shares	95-100%	Cash	0-5%	Asset Class	Allocation	Australian shares	100%	Cash	0%
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Cash	0-5%												
Asset Class	Allocation												
Australian shares	100%												
Cash	0%												

¹ A reference to Australian shares or companies may include, for example, units in trusts listed on the Australian Securities Exchange (ASX) and/or investments in companies listed on an overseas stock exchange if they are also listed on the ASX.

How the fund manages money

About Antares

Antares Equities is an Australian funds management company, with the core aim being to create wealth for clients. The business is guided by a clear and strongly held investment philosophy that seeks to add value through being selectively contrarian and style agnostic.

Investment philosophy and process

The Antares investment approach is driven by a proven investment process that integrates thorough analysis and valuation of companies from a fundamental, bottom-up basis.

Antares believe that equity markets are efficient in the long term, but that inefficiencies exist in the short term and as such share prices eventually reflect the net present value of future cash flows. Inefficiencies occur due to a range of factors including irrational investor behaviour that can be exploited through bottom-up stock research and a disciplined approach to portfolio construction.

The research effort is at the core of the investment process, and is heavily focused on in-house proprietary research that is aligned with Antares' investment philosophy. In general, the manager aims to invest in companies where the current share price does not fully reflect their view of the potential value of the company's business. Through company contact and detailed financial and non-financial analysis, the manager gains a first-hand understanding of Australian businesses and the industries in which they operate. From the research effort, a portfolio is constructed which consists of undervalued securities within a risk controlled framework.

Where can I obtain the latest information about the fund?

It is important that you keep up-to-date with the latest information on the fund. Information that is not materially adverse is updated from time to time. This includes information on the fund, its performance and historical unit prices.

To obtain this information, you should contact your IDPS operator.

Risks of investing

What is risk?

Understanding investment risk is the key to successfully developing your investment strategy. Before you consider your investment strategy, it is important to understand that:

- all investments are subject to risk
- different strategies carry different levels of risk depending on the assets that make up the strategy, and
- assets with the highest long-term returns may also carry the highest level of short-term risk.

When considering your investment, it is important to understand that:

- the value of investment funds will go up and down
- returns are not guaranteed
- you may lose money
- previous returns don't predict future performance
- laws affecting investments may change
- the appropriate level of risk for you will vary, depending on your age, investment timeframe, where other parts of your money are invested and how comfortable you are with the possibility of losing some of your investment in some years.

Different investments perform differently over time. Investments that have provided higher returns over the longer term have also tended to produce a wider range of returns. These investments are generally described as more risky, as there is a higher chance of losing money, but they can also give you a better chance of achieving your long-term objectives. Investments that have provided more stable returns are considered less risky, but they may not provide sufficient long-term returns for you to achieve your long-term goals. Selecting the investments that best match your investment needs and timeframe is crucial in managing this risk.

Your adviser can help you understand investment risk and design an investment strategy that is right for you.

The main risks which typically affect the investment fund are:

Market risk

Investment returns are influenced by the performance of the market as a whole. This means that your investments can be affected by things like changes in interest rates, investor sentiment and global events, depending on which markets or asset classes you invest in and the timeframe you are considering.

Security and investment-specific risk

Within each asset class, individual securities like mortgages, shares, fixed interest securities or hybrid securities can be affected by risks that are specific to that investment or that security. For example, the value of a company's shares can be influenced by changes in company management, its business environment or profitability. These risks can also impact on the company's ability to repay its debt.

Management risk

The fund has an investment manager to manage your investments on your behalf. There is a risk that the investment manager will not perform to expectation.

Liquidity risk

Liquidity risk refers to the difficulty in selling an asset for cash quickly without an adverse impact on the price received. Assets such as shares in large listed companies are generally considered liquid while 'real' assets such as direct

property and infrastructure are generally considered illiquid. Under abnormal or difficult market conditions some normally liquid assets may become illiquid, restricting our ability to sell them and to make withdrawal payments or process switches for investors without a potentially significant delay.

Counterparty risk

This is the risk that a party to a transaction such as a swap, foreign currency forward or stock lending fails to meet its obligations such as delivering a borrowed security or settling obligations under a financial contract.

Legal and regulatory risk

This is the risk that any change in taxation, corporate or other relevant laws, regulations or rules may adversely affect your investment.

Distribution risk

In some circumstances, the frequency or rate of distribution payments may vary or you may not receive a distribution. This is more likely to occur when a fund employs extensive currency hedging or uses derivatives.

Currency risk

Investments in global markets or securities which are denominated in foreign currencies give rise to foreign currency exposure. This means that the Australian dollar value of these investments will vary depending on changes in the exchange rate.

Funds which have significant currency risks adopt different currency management strategies. These strategies may include currency hedging, which involves reducing or aiming to remove the impact of currency movements on the value of the investment. Information on the currency management strategy for the fund is set out in the fund's description on page 1.

Because different funds have different currency management strategies, you should consult your adviser on the best approach for you.

Additional important information about currency risk is provided on pages 8 to 9.

Derivatives risk

Derivatives are contracts between two parties that usually derive their value from the price of a physical asset or market index. They can be used to manage certain risks in investment portfolios or as part of an investment strategy. However, they can also increase other risks in a portfolio or expose a portfolio to additional risks. Risks include: the possibility that the derivative position is difficult or costly to reverse; that there is an adverse movement in the asset or index underlying the derivative; or that the parties do not perform their obligations under the contract. In general, investment managers may use derivatives to:

- protect against changes in the market value of existing investments
- achieve a desired investment position without buying or selling the underlying asset
- gear a portfolio
- manage actual or anticipated interest rate and credit risk
- alter the risk profile of the portfolio or the various investment positions
- manage currency risk.

As financial instruments, derivatives are valued regularly and movements in the value of the underlying asset or index should be reflected in the value of the derivative. The fund may use derivatives such as futures, options, forward currency contracts and swaps, are outlined in the strategy of the fund.

Credit risk

Credit risk refers to the risk that a party to a credit transaction fails to meet its obligations, such as defaulting under a mortgage, a mortgage-backed security, a hybrid security, a fixed interest security or a derivative contract. This creates an exposure to underlying borrowers and the financial condition of issuers of these securities.

Are there any other risks you should be aware of?

When investing, there is the possibility that your investment goals will not be met. This can happen because of the risks discussed previously. It can also happen if your investment strategy is not aligned to your objectives.

Understanding shares

Shares represent a part ownership of a company and are generally bought and sold on a stock exchange. Shares are generally considered to be more risky than the other asset classes because their value tends to fluctuate more than other asset classes. However, over the longer term they have tended to outperform the other asset classes.

How should you determine your investment timeframe?

Investment professionals will have differing views about the minimum investment timeframe you should hold various investments, and your own personal circumstances will also affect your decision. Under the fund's information on page 1 we have suggested a minimum investment timeframe, however, you should regularly review your investment decision because your investment needs or market conditions may change over time. Our minimum suggested timeframe and the Standard Risk Measure should not be considered personal advice.

Standard Risk Measure

We have adopted the Standard Risk Measure (SRM) which is based on industry guidance to allow investors to compare investment funds that are expected to deliver a similar number of negative annual returns over any 20 year period (as outlined in the table below). The SRM for each fund is also a measure of the risk objective of the fund. It is a measure of the expected variability of the return of the fund.

The SRM is not a complete assessment of all forms of investment risk, for instance it does not detail what the size of a negative return could be or the potential for a positive return to be less than an investor may require to meet their objectives. Further, it does not take into account the impact of administration fees and tax on the likelihood of a negative return.

Investors should still ensure they are comfortable with the risks and potential losses associated with their chosen investment fund(s). The SRM should not be considered personal advice. Investors should regularly review their investment decision with their financial adviser.

Risk measure categories

Below is a table that outlines our labelling of risk measures and categories.

Risk band	Risk label	Estimated number of negative annual returns over any 20-year period
1	Very low	Less than 0.5
2	Low	0.5 to less than 1
3	Low to Medium	1 to less than 2
4	Medium	2 to less than 3
5	Medium to High	3 to less than 4
6	High	4 to less than 6
7	Very High	6 or greater

Fees and other costs

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns.

For example, total annual fees and costs of 2% of your fund balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.

To find out more

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

This document shows fees and other costs that the unitholder may be charged. These fees and costs may be deducted from the unitholder's money, from investment returns or from the fund assets as a whole.

These fees do not include any fees that may be charged by the IDPS operator.

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

Type of fee or cost	Amount ¹	How and when paid
FEES WHEN YOUR MONEY MOVES IN OR OUT OF THE FUND		
Establishment Fee The fee to open your investment.	Nil	N/A
Contribution Fee² The fee on each amount contributed to your investment.	N/A	N/A
Withdrawal Fee² The fee on each amount you take out of your investment.	N/A	N/A
Termination Fee The fee to close your investment.	Nil	N/A
MANAGEMENT COSTS³		
The fees and costs for managing your investment Management cost	1.01% ⁴	The total management cost is expressed as a percentage of the total average net assets of the fund, including estimated performance fees (if applicable). The management costs are reflected in the daily unit price and payable monthly or as incurred by the fund.
SERVICE FEES		
Switching Fee² The fee for changing investment options.	N/A	N/A

1 These figures are inclusive of the net effect of GST.

2 Transaction costs ('buy/sell' spreads) apply to the fund (refer to page 6 for further details).

3 The Constitution of the fund provides for a maximum management fee of 2.050% pa calculated on the gross assets of the fund. We may vary the management fee used to calculate the management cost above at any time at our absolute discretion within the limits prescribed in the fund's Constitution. If the variation is an increase in a fee we will give the unitholder 30 days prior written notice.

4 This fund has not been in existence for 12 months (as at 31 January 2013). For this fund, this is an estimated management cost.

Additional explanation of fees and costs

Management costs

The terms 'management costs' and 'management fees' mean different things.

Management costs include management fees, estimated performance fees (if applicable), investment expenses and custody fees. Management costs are deducted from the performance of the fund (ie they are not charged directly to your account). They do not include contribution fees, transaction costs or additional service fees. The management cost for the fund is based on current financial information. It is expressed as a percentage of the fund's net assets and is outlined in the table on page 5.

Management fees are the fees payable under the Constitution for the management of the fund. Management fees are calculated from gross assets of the fund. For details of the maximum management fee allowed under the Constitution refer to the footnote on page 5.

Example of annual fees and costs

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

EXAMPLE

Antares Wholesale Elite Opportunities Fund		Balance of \$50,000 with total contributions of \$5,000 during year
Contribution Fees	N/A	N/A
Plus Management Costs	1.01% pa	And, for every \$50,000 you have in the fund you will be charged \$505 each year.
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 that year, you will be charged fees of: \$505 What it costs you will depend on the fees you negotiate with your fund or financial adviser.

These figures are inclusive of the net effect of GST.

Please note that this is just an example. In practice, the actual investment balance of an investor will vary daily and the actual fees and expenses we charge are based on the applicable fees and costs and the value of the relevant fund, which also fluctuates daily. Transaction costs also apply.

Transaction costs

Transaction costs such as brokerage, government taxes/duties/levies, bank charges and account transaction charges are paid from the fund. When you (or any person you have authorised) invest, switch or withdraw all or part of your investment, we use what is called a 'buy/sell' spread to recover transaction costs incurred. Because there are costs in buying and selling assets, we use the 'buy/sell' spread to direct these costs to investors transacting rather than other investors in the fund.

Please note that the 'buy/sell' spreads are not fees paid to Colonial First State. They are paid to the fund. They are, however, an additional cost to you. They may be altered at any time. The transaction costs ('buy/sell' spread) that applies to the fund is 0.25% on entry and 0.25% on exit.

Transaction costs example: If you make a \$50,000 investment in or withdrawal from the fund, you will incur transaction costs of \$125.

Borrowing costs

Where short-term settlement borrowing or borrowing for underlying funds occurs, borrowing costs such as interest on borrowings, legal fees and other related costs are payable by the fund.

Abnormal costs

Abnormal costs (such as costs of unitholder meetings, recovery and realisation of assets, changes to the Constitution, defending or pursuing legal proceedings and significant taxes, such as stamp duty incurred in acquiring and disposing of assets) are paid from the fund. These costs are incurred fairly infrequently.

Other operating expenses

The Constitution for the fund allows for the ongoing operating expenses (such as registry, audit, taxation advice and offer documents) to be paid directly from the fund. The responsible entity recovers costs related to custody, and a portion of the costs related to audit, regulatory, production of the offer document and particular transactions. The Constitution does not place any limit on the amount of the ongoing operating expenses that can be paid from the fund.

Commissions and other payments

The adviser recommending this product may receive from us certain non-monetary benefits allowed under law (soft dollar). Under our obligations pursuant to the Corporations Act 2001 and the Financial Services Council Code of Practice, we keep a record of soft dollar payments which we are entitled to make to dealer groups or advisers. Please contact us if you would like to view this register.

Dealer groups and other licensees who have an agreement with us on or before 30 June 2013, may receive remuneration for the provision of services to us. This remuneration will be paid out of the management costs indicated in the table on page 5 in a given year. If these amounts are paid, they are paid by us and are not an extra amount paid from the fund nor are they a further amount you pay.

Your adviser may also receive remuneration from the IDPS operator in a variety of ways for the provision of services. Details of this remuneration will be in the offer documents for the IDPS, master trust or wrap account and the Financial Services Guide and Statement of Advice which your adviser must give you.

Differential fees

We may issue units to certain investors such as sophisticated, professional, wholesale investors or Bank employees with reduced management costs. Such arrangements would be subject to individual negotiation, compliance with legal requirements and any applicable Australian Securities and Investments Commission (ASIC) class orders.

Taxation

The Australian taxation system is complex and different investors have different circumstances. You should consider seeking professional taxation advice before investing in the fund.

Additional information

How do I invest?

To invest into this fund, complete the documents which the IDPS operator requires. You do not need to complete any of our forms. In extraordinary circumstances, we may suspend or restrict applications and we may also reject applications at our discretion.

If we receive an application from your IDPS operator for a suspended, restricted or unavailable fund, we will be unable to process this application and your money will be returned to the IDPS operator.

How do I make withdrawals from my investment?

Withdrawals are normally processed within seven working days of receiving a request from the IDPS operator. Longer periods may apply from time to time. In extraordinary circumstances (which may include where a fund becomes illiquid) we may suspend withdrawals, or restrict the ability to withdraw.

Where a fund is suspended, restricted or unavailable we may not process withdrawal requests. Further, where a fund is not liquid, we cannot allow investors to withdraw from the fund unless we make an offer to withdraw. There is no obligation for us to make such an offer and if we do, investors may only be able to withdraw part of their investment. Any decisions whether to process withdrawals or partial withdrawals will be made in the best interests of investors as a whole, and if any payment is to be made, then the exit price used to calculate this payment will be the one determined at the time the payment is made.

You should note that unless an investment fund is suspended, restricted or unavailable, you may withdraw from an investment fund in accordance with our normal processes.

How do I receive income?

The fund usually distributes income quarterly. Distributions are calculated on 30 June, and generally the last Sunday of all other months as they fall due, and are normally paid to the IDPS operator within 14 days. In some circumstances we may vary the distribution timing and frequency without notice.

How are unit prices calculated?

When investing, a number of units are allocated in the fund you have selected. Each of these units represents an equal part of the market value of the portfolio of investments that the fund holds. As a result, each unit has a dollar value, or 'unit price'.

This unit price is calculated by taking the total market value of all of a fund's assets on a particular day, adjusting for any liabilities and then dividing the net fund value by the total number of units held by all investors on that day. Although the unit balance in a fund will stay constant (unless there is a transaction on your account), the unit price will change, according to changes in the market value of the investment portfolio or the total number of units issued for the fund. We determine the market value of the fund based on the information we have most recently available.

We may exercise certain discretions that could affect the unit price of units on application or withdrawal in the fund. The types of discretions that we may exercise, in what circumstances, our policies on how we exercise the discretions and the reasons why we consider our policies are reasonable, are set out in our Unit Pricing Permitted Discretions Policy. If we exercise a discretion in a way that departs from the policies set out in our Unit Pricing Permitted Discretions Policy, we are required to keep a record of this in a Register of Exceptions. You can obtain a copy of our Unit Pricing Permitted Discretions Policy or Register of Exceptions, or both, free of charge, by calling us on 13 13 36.

What is the difference between entry and exit unit prices?

There is a difference between the entry and exit unit price for a fund, quoted on any business day. This difference relates to the fund's transaction costs from buying investments (when money is added to the fund), and selling investments (when withdrawals are made) and is often called a 'buy/sell' spread.

So that existing investors do not continually bear the transaction costs resulting from investments or withdrawals that are made, all investors pay a set, average amount (a 'buy/sell' spread) when they transact. This is calculated according to the particular types of investments a fund holds. Not all new investments or withdrawals cause transaction costs to be payable to a fund; for example, where an investment does not incur any significant costs, or when a new investment coincides with a withdrawal by someone else. However, to be consistent, we generally apply transaction costs to all new investments and withdrawals from a fund. Refer to page 6 for the transaction costs ('buy/sell' spread) that applies to the fund.

Unit pricing adjustment policy

There are a number of factors used to calculate unit prices. The key factors include asset valuations, liabilities, debtors, the number of units on issue and, where relevant, transaction costs. When the factors used to calculate the unit price are incorrect, an adjustment to the unit price may be required. We generally use a variance of 0.30% in the unit price before correcting the unit price.

If a unit pricing error is greater than or equal to this variance, we will:

- compensate your account balance if you have transacted on the incorrect unit price or make other adjustments as Colonial First State may consider appropriate, or
- where your account is closed, we will send you a payment if the amount of the adjustment is more than \$20.

This tolerance level is consistent with regulatory practice guidelines and industry standards. In some cases we may compensate where the unit pricing error is less than the tolerance level.

Does the fund borrow?

The fund does not borrow except for short-term arrangements for settlement purposes or if an emergency or extraordinary situation arises. Borrowing can only occur in line with a fund's investment strategy.

Does the fund engage in securities lending?

The fund may either borrow or lend securities by entering into securities lending transactions, as part of its investment strategies.

Under a securities lending transaction, securities are lent to a third party (borrower) by the securities' owner (lender) for a period of time in return for a fee.

Securities lending exposes both the lender and the borrower to additional risks. These may cause a loss to the fund, however, processes are in place to manage these risks where possible, including requirements for borrowers to provide sufficient collateral as security and enforceable legal contracts between the parties.

Are labour standards or environmental, social or ethical considerations taken into account?

As the responsible entity, we do not specifically take into account labour standards or environmental, social or ethical considerations when making investment decisions.

However, where those factors negatively impact investment performance or company stability, we may discuss these matters with company management and/or review our decision to hold the specific investment. Reviews are on a case by case basis as such factors arise. We do not use any specific methodology for such reviews or have predetermined views about the extent to which such factors will be taken into account in a review.

When we outsource investment management we do not specifically take into account labour standards or environmental, social or ethical considerations. However, we may consider these factors to the extent that they impact on a manager's organisational stability, reputation and performance. External managers have their own policies on the extent to which labour standards or environmental, social or ethical considerations are taken into account when making investment decisions. These policies are not specifically considered in selecting managers.

What investments can the fund hold?

The Constitution of the fund allows us a great deal of discretion about what investments are held in the fund. This PDS outlines the investments intended to be held. If we decide to change we will advise you as soon as practicable. The Bank, our parent company, is listed on the ASX. We are permitted to hold shares in the Bank under ASIC relief on certain conditions which include that any such holding is not voted and the total holdings for all entities in the Bank do not exceed 5% of the issued capital of the Bank.

Constitution of the fund

The fund is governed by a Constitution. Together with the Corporations Act and some other laws, the Constitution sets out the terms and conditions under which the fund operates and the rights, responsibilities, powers, discretions and duties of the responsible entity and investors.

The Constitution deals with a number of issues including:

- your rights as a holder of units
- fund termination, and
- our broad powers to invest, borrow, receive fees and other payments and generally manage the funds.

The Constitution states that your liability is limited to the amount you paid for your units, but the courts are yet to determine the effectiveness of provisions of this kind.

You can inspect a copy of the Constitution at our head office or we will provide you with a copy free of charge.

The Constitution gives us a number of rights, including a number of discretions relating to unit pricing and fund termination. You can obtain a copy of our Unit Pricing Permitted Discretions Policy, free of charge, by calling us on 13 13 36.

We may alter the Constitution if we, as the responsible entity, reasonably consider the amendments will not adversely affect investors' rights. Otherwise we must obtain investors' approval at a meeting of investors.

We may retire or be required to retire as responsible entity (if investors vote for our removal).

Your rights to requisition, attend and vote at meetings are mainly contained in the Corporations Act.

Custody

A professional custodian generally holds the assets of the fund.

The custodian is appointed by Colonial First State and is responsible only to us.

The custodian may be changed from time to time and we may change the custodian where we are satisfied that the proposed new custodian meets all regulatory requirements. You will not be notified of a change in custodian. If the custodian is another company in the Commonwealth Bank Group then we would have to:

- satisfy ASIC that we are able to separate each fund's assets from our own, and
- satisfy ourselves that holding each fund's assets in this way would be cost-effective for investors.

If you would like details of our custodian, please contact your IDPS operator.

Currency risk

How is currency risk managed?

Changes in the value of the Australian dollar lead to a difference between the foreign currency returns or the value of the global investments held by a fund and those returns or values expressed in Australian dollars. This is known as foreign currency risk. Currency is not an asset class and therefore does not give a fund either natural long-term growth or an income stream. Rather, currency exposure gives rise to a source of potential volatility of returns – both positive and negative.

Financial instruments can be used to reduce currency risk – this is known as hedging. Hedging is a process where exposure to one currency can be reduced or removed by entering into a transaction that offsets that exposure. If a fund is unhedged, then any foreign currency investments the fund holds are fully exposed to movements in the Australian dollar, which can have a positive or negative effect on the value of the fund.

Whether a fund is hedged or unhedged is disclosed under the fund's strategy in the investment information section on page 1. The extent to which a fund is hedged depends on the underlying objectives and risk characteristics of the fund. The extent of hedging may also vary over time depending on the value of the Australian dollar.

In funds that hedge currency risk, movements in the Australian dollar can impact the size of distributions that you receive. Generally, a rising Australian dollar will produce gains on the currency hedge and increase the distribution, while a falling Australian dollar will produce currency losses that reduce the distribution.

For more information on how we manage currency, please see the information flyer 'Managing currency risk', available at colonialfirststate.com.au or by calling us on 13 13 36.

How is my personal information dealt with?

We do not normally receive any personal information about you when you invest in the fund through an IDPS operator.

For details on the collection, storage and use of your personal information, please contact your IDPS operator.

If we do receive any of your personal information we will deal with it in accordance with our Privacy Policy. For a copy of our Privacy Policy Statement please visit our website at colonialfirststate.com.au or call us on 13 13 36.

Is there a cooling-off period?

A 14-day 'cooling-off period' will apply to your initial investment in the fund in certain circumstances. If, during the 14-day cooling-off period, you decide that the investment does not meet your needs, then simply advise your IDPS operator in writing.

The 14 days start when your transaction confirmation is received by the IDPS operator or five days after units are issued to the IDPS operator, whichever is earlier. We will return your investment, reduced or increased for market movements. We will also deduct any tax or duty incurred and a reasonable amount for transaction and administration costs. As a result the amount returned to you may be less than your original investment.

Under normal circumstances refunds are made within seven working days of your IDPS operator notifying us.

What happens if I make a complaint?

If you are investing through an IDPS then complaints should be directed to the IDPS operator.

If you have an enquiry or complaint and want to contact us directly, please telephone us on 13 13 36. If you require further assistance, then direct your written enquiry or complaint to the Dispute Resolution Officer at our head office address or you can email us at contactus@colonialfirststate.com.au.

If you feel that your complaint has not been adequately addressed, you may lodge a complaint with the Financial Ombudsman Service (FOS). FOS' address is GPO Box 3, Melbourne VIC 3001 and the toll free telephone number is 1300 780 808.

What are our reporting requirements?

As a disclosing entity under the Corporations Act, the fund is subject to regular reporting and continuous disclosure obligations. Copies of documents we lodge with ASIC to fulfil these obligations may be obtained from, or inspected at, an ASIC office.

You also have a right to request a copy of certain documents from us when they become available, and we must send you a copy (free of charge) as soon as practicable and in any event within five days. Your request will be fulfilled in the way you choose – by email, fax or post, or you can collect it from our offices.

The documents are

- the annual financial report for the fund most recently lodged with ASIC, and
- any half-year financial report lodged with ASIC and any continuous disclosure notice given for the fund after the lodgement of the annual financial report for the fund and before the date of this document.

Annual reports

An annual report detailing the financial position and performance of the fund over the last financial year will be made available on our website – colonialfirststate.com.au/annual reports, by 30 September each year. The annual report for your fund(s) may be combined with other funds. If you cannot find your fund(s), or you would prefer to have a copy emailed or mailed to you, please contact us.

Are there any other benefits to Colonial First State?

In consideration of stockbroking fees paid for the purchase and sale of the fund's assets, certain stockbrokers may pay for some of our third party research and financial markets data, or other alternative research and execution services set out in the relevant Financial Services Council (FSC) Guidance Note. Such payments are monitored by us to ensure that any such arrangement is appropriate and in the best interests of investors. A copy of our policy is available on request.

The fund receives banking and treasury-related services from the Bank in the normal course of business and pays normal commercial fees for them. Colonial First State may derive monetary or administrative benefits from the Bank as a consequence of maintaining the fund's bank accounts with the Bank.

Interests of the directors of the responsible entity

Directors may receive a salary as employees of the Bank and from time to time may hold interest in shares in the Bank or investments in the fund. This PDS has been authorised by our directors.

Colonial First State offices:

Sydney
(Head office)
11 Harbour Street
Sydney NSW 2000

Perth
Level 4
55 St Georges Terrace
Perth WA 6000

Melbourne
Level 1
385 Bourke Street
Melbourne VIC 3000

Adelaide
Level 4
100 King William Street
Adelaide SA 5000

Brisbane
Level 8
240 Queen Street
Brisbane QLD 4000

Enquiries:

New investors: 1300 360 645
Existing investors: 13 13 36
Advisers: 13 18 36
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