



Managed Investment Scheme

Long Form PDS Checklist

Version 8

August 2018

MinterEllison.

About the checklist

Important note: The *Corporations Amendment Regulations 2010 (No. 5)* introduced a 'short and simplified Product Disclosure Statement' (**Shorter PDS**) disclosure regime for certain superannuation, simple managed investment schemes and margin loans. This checklist applies to a product disclosure statement (**PDS**) that **is not** required to be prepared in accordance with the Shorter PDS requirements.

If you are required to prepare a Shorter PDS, please refer to the **Shorter PDS Checklist**.

Once you have determined you need to prepare a 'long form' PDS for your product, this checklist will help you to put the PDS together and confirm it meets the content requirements in Part 7.9 of the *Corporations Act 2001* (Cth). We have also included requirements from other legislation, policy and guidelines issued by ASIC and the FSC and some practical suggestions for issues to be considered when preparing your PDS.

All references are to the *Corporations Act 2001* (Cth) or *Corporations Regulations 2001* (Cth) unless otherwise indicated. References to schedules (eg 'Schedule 10') are references to schedules of the Regulations.

Of course, like any checklist, it cannot anticipate every possibility and so it should not be relied on as a guarantee that the PDS complies. The nature of the PDS requirements means that judgments will need to be made about the nature and extent of the information to be included. This checklist is based on the law as at 1 June 2018. It therefore does not include regulations or other regulatory material issued in draft form as at that date. Toolkit users need to be aware that the relevant laws and ASIC policy undergo regular change and review.

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Please note that hyperlinks in this document to Commonwealth legislation are links to Austlii compilations current at the date of this checklist. Because of the way Austlii works, the links are intended to take you to the current version of the provision if it has changed. The latest Federal Register of Legislation compilations can be accessed by using the following links:

- [Corporations Act 2001](#) (Cth)
- [Corporations Regulations 2001](#) (Cth)

Likewise, updated ASIC class orders and regulatory guides are available using the following links:

- [Regulatory Guides](#)
- [Class Orders](#)

We have endeavoured to ensure that the material is accurate and complete, but cannot guarantee it. We hope you find the electronic PDS checklist a useful compliance tool.

MinterEllison

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User guide

'Information' to be included in the PDS

'Information' in this checklist when used in connection with an obligation arising under section 1013D means information a person would reasonably require for the purpose of making a decision, as a retail client, whether to acquire the product. However, information is not required by section 1013D or 1013E to be included in a PDS if it would not be reasonable for a person considering, as a retail client, whether to acquire the product to expect to find the information in the PDS (1013F).

Where is the information: in the PDS or incorporated by reference?

The 'Where' columns in this checklist can be used to indicate where the required information may be found in the PDS or in the Incorporated by reference (**IBR**) material.

Answer	Where	Reference / Comment
<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS*	
<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Where these options appear, the information relating to the question cannot be incorporated by reference.

Where there is also a ticked box and a star next to IBR, the incorporated material is also required to include the information.

Where these options appear, it is either not practicable to incorporate the information relating to the question by reference or we believe it is likely to be inappropriate to do so.

You may decide however, that the information can be incorporated by reference. Where this is the case, you can double-click on the 'PDS' box to unmark the box and double-click on the 'IBR' box to indicate that the information has been incorporated by reference.

Where these options appear, the information relating to the question can be incorporated by reference.

Answers to checklist questions

The 'Answer' columns in this checklist indicates whether the PDS complies with that particular requirement. An answer of 'Yes' represents compliance. A reference to the location(s) in the PDS where the requirement has been addressed can be indicated in the Reference / Comment box. 'No' represents a possible deficiency in disclosure. A comment can be included to indicate what the issue is. An answer of 'N/A', means that you have determined that the question does not apply to the product. A comment can be included to state why the requirement does not apply.

Part A - Introductory content

Question	Answer	Where?	Reference / Comment
Title – Single PDS			
Note: If the PDS is made up of more than one document, select N/A for question 1.			
1. Is the title 'Product Disclosure Statement' used on the cover of, or at or near the front of, or at the beginning of the PDS, where the PDS is a single document? [1013B(1) as modified by ASIC Corporations (Removing Barriers to Electronic Disclosure) Instrument 2015/649 para 7]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS*	
Note 1: While ASIC thinks the language 'at or near the front of' can be applied equivalently to printed and digital PDSs, they have given relief to assure providers that when they are using a digital format for disclosure, the requirement for the title 'Product Disclosure Statement' to be used on the cover or at or near the front of the document will be satisfied. ASIC have done this by allowing the words to also be used 'at or near the beginning' of the disclosure. [RG 221.83]			
Note 2: For example, if the title 'Product Disclosure Statement' appears at the top of a webpage, on launch of an app or is spoken at the beginning of a video, ASIC is of the view that this requirement would be satisfied. If the words 'Product Disclosure Statement' are, for example, only found after scrolling down a webpage, ASIC does not consider that this requirement would be satisfied. [RG 221.84-85]			
Title – Multiple Document PDS			
Note: If the PDS comprises a single document, select N/A for questions 2 and 3.			
2. Is the title 'Product Disclosure Statement' used on the cover of, or at or near the front, or the beginning of, at least one of the documents that make up the PDS, where the PDS is made up of more than one document? [1013L(4) as modified by ASIC Corporations (Removing Barriers to Electronic Disclosure) Instrument 2015/649 para 7]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS*	
Note: Note that ASIC states that it considers that where there are too many documents, the PDS will be hard to understand [REP 214.15-23]			
3. Where the PDS consists of two or more separate documents given at the same time, is there a statement on the cover of,	<input type="checkbox"/> N/A	<input type="checkbox"/> N/A	

Question	Answer	Where?	Reference / Comment
or at or near the front, or the beginning of each document:			
(a) to the effect that the document is part of a PDS? [1013L(2)]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) that identifies the other document(s) that make up the PDS (or generically identifies those documents, where there may be different versions of the documents)? [1013L(2) and (3) as modified by ASIC Corporations (Removing Barriers to Electronic Disclosure) Instrument 2015/649 paragraph 7]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
<p>Note: For example, if a PDS is made up of a core document that is not updated very frequently, and a separate document providing information about remuneration that is updated more frequently:</p> <p>(a) the statement in the core document need only refer to the fact that it, and a separate document about remuneration, make up the PDS; and</p> <p>(b) the statement in the document about remuneration need only refer to the fact that it, and a separate document about all other required matters, make up the PDS. [Note to 1013L(3)]</p>			
Dating the PDS			
4. Is each document which makes up the PDS dated with the date on which the document was prepared or its preparation was completed? [1013G(b), 1013L(5)]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
Issuer details			
5. Does the PDS include a statement setting out the name, identity and contact details of the issuer? [1013D(1)(a), Australian Privacy Principle 5]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
<p>Note: The identity and contact details could include the position title, telephone number and email address of a contact who handles enquiries and requests relating to the Privacy Act. Consideration could also be given to establishing a generic telephone number and email address (for example, privacy@agency.gov.au) that will not change with staff movements. [OAIC APP Guidelines Chapter 5 para 5.9]</p>			
6. If the name of a party other than the issuer appears on the cover, is that party's capacity also shown prominently? [1013C(5)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS*	

Question	Answer	Where?	Reference / Comment
7. Does the PDS state:			
(a) the full name of the company? [153(1)]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
(b) the words 'Australian Business Number' or 'ABN' followed by the company's ABN? [153(2)(b)]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
(c) the expression 'Australian Company Number' or 'ACN' followed by the company's ACN if:	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
(i) the company's ABN is not stated in the PDS; or			
(ii) the last 9 digits of the company's ABN are not the same as the company's ACN? [153(2)]			
Note: Section 153(2) states that if the company's name appears on 2 or more pages of a document, the ABN/ACN must be on the first of those pages.			
(d) that the PDS is issued by the product issuer or someone else on behalf of the issuer? [1013A(1) and (4)]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	

Licence and registration numbers

8. If the issuer holds an Australian financial services licence (AFSL), does the PDS (or each document that makes up the PDS) include the issuer's AFSL number? [912F(1), Reg 7.6.01C(1)(c)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS*	
9. Does PDS refer to the scheme's Australian Registered Scheme Number (ARSN)? [ME Suggestion] Note: For a managed investment scheme PDS that needs to be lodged with ASIC under section 1015B, then the ARSN is required to be included in the PDS by section 601EC. For any other managed investment scheme PDS, it is normal to include the ARSN.	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Multiple issuer PDS

10. If the PDS is prepared by more than one issuer, does it meet all of the following requirements:	<input type="checkbox"/> N/A		
(a) does the PDS relate to at least one other financial product of another issuer?	<input type="checkbox"/> Yes <input type="checkbox"/> No		

Question	Answer	Where?	Reference / Comment
(b) does the PDS prominently state:			
(i) that the PDS covers two or more separate financial products?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
[ASIC Corporations (Joint Product Disclosure Statements) Instrument 2016/1056 para 6(b)(i)]			
(ii) the identity of the issuer of each financial product it covers?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
[1013D(1)(a)(i)]			
(iii) that each issuer takes full responsibility for the whole of the PDS?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
[ASIC Corporations (Joint Product Disclosure Statements) Instrument 2016/1056 para 6(b)(ii)]			
(iv) information about the dispute resolution system that covers complaints by holders of the PDS and about how that system may be accessed?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
[1013D(1)(g)]			
(v) how a client may exercise their cooling off rights (if any) in relation to each product covered by the PDS?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
[1013D(1)(i)]			
Note 3: A PDS cannot relate to financial products that are securities. Accordingly ASIC Corporations (Joint Product Disclosure Statements) Instrument does not affect the extent to which a PDS can be combined with a disclosure document for an offer of securities.			
Note 4: The requirements of ASIC Corporations (Joint Product Disclosure Statements) Instrument relate to statements that must be included in a PDS under Part 7.9 and may therefore be incorporated by reference. However, as this information relates to information that must be in the PDS under the Corporations Regulations 2007, we recommend that this information also be included in the PDS.			

Associations

11. Are any statements about an association between a financial product and a person ☐ N/A

Question	Answer	Where?	Reference / Comment
worded so as not to create the impression that the product:			
(a) is issued by that other person if it is not? [1013C(5)]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) is guaranteed or underwritten by that other person if it is not? [1013C(6)]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: For example, the inclusion of a statement about a distributor of the product, being a person other than the product issuer, or the inclusion of a logo or branding other than that of the product issuer may indicate an association between the financial product and the other person. If such statements appear in the PDS, the role of that person should be clearly and prominently stated.			
12. If the issuer is part of an Approved Deposit-taking Institution (ADI) group:	<input type="checkbox"/> N/A		
(a) is that relationship apparent in the PDS?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) does the PDS include wording that clarifies that the ADI does not guarantee the product or issuer?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
[Prudential Standard APS 222.13, 222.19]			
Statements about service providers			
13. Where a PDS states that a person provides or is to provide services in relation to the product, does the PDS clearly distinguish between the respective roles of that person and the issuer? [1013C(7)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
Up to date			
14. Is the PDS up to date? [1012J]	<input type="checkbox"/> Yes <input type="checkbox"/> No		
15. Does the PDS clearly and prominently:	<input type="checkbox"/> N/A		
(a) explain that information that is not materially adverse information is subject to change from time to time and may be updated by means described in the PDS?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) explain how that updated information can be found at any time?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) state that a paper copy of any updated information will be given,	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> PDS	

Question	Answer	Where?	Reference / Comment
or an electronic copy made available, to a person without charge on request?	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
<p>[ASIC Corporations (Updated Product Disclosure Statements) Instrument 2016/1055]</p> <p>Note: <i>If not included, a supplementary or replacement PDS containing updated information must be given with or instead of a PDS that has become out of date. The updated information is then taken to be included in the PDS. [1014D]</i></p>			
16. Does the PDS expressly state that the issuer can change matters which are the subject of representations made in the PDS (eg. about administrative matters or fees and charges)? [ME suggestion]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
Invitation to apply			
17. Is it clear that the issuer is not bound to accept an application? [ME suggestion]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>Note: <i>Whether an issuer is bound to do so will depend on the terms of the scheme's constitution.</i></p>			
18. Does the PDS prominently state that the invitation to apply is only made to persons receiving the PDS in Australia? [RG 141.15]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	

Part B - Main content

Question	Answer	Where?	Reference / Comment
Significant benefits			
19. Does the PDS include information about:	<input type="checkbox"/> N/A		
(a) any significant benefits (whether by way of payment of cash or otherwise) to which a holder of the product will or may become entitled?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) the circumstances in which and times at which those benefits will or may be provided?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) the way in which those benefits will or may be provided?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[1013D(1)(b)]			
20. Are the significant benefits referred to in question 19 stated as an amount in dollars (numeric PDS information)? [1013D(1)(m) (as modified by 7.9.15A)]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>Note 1: RG 182 provides that an 'amount in dollars' means a single dollar amount expressed either in digits or words. [RG182.19] The maximum amount can be quoted even if it may be reduced in some circumstances. [RG182.20] Where the amount is nil, ASIC will accept 'nil', 'zero', '0' or 'not applicable' (if it is not misleading to use that expression). [RG182.22]</p> <p>Note 2: An issuer does not have to comply with paragraph 1013D(1)(m) to the extent that the provision requires an amount that is denominated in a foreign currency to be stated as an amount in Australian currency in a PDS. [ASIC Corporations (Disclosure in Dollar) Instrument 2016/767 para 7(2)]</p> <p>Note 3: A regulated person does not have to state the relevant information in dollar terms if the facts and circumstances underlying the information are not known to the regulated person and could not have been found out by the regulated person. [ASIC Consultation Paper 253, para 24]</p>			
21. If the significant benefits include non-monetary benefits, does the PDS include the following information:	<input type="checkbox"/> N/A		
(a) the nature and extent of the non-monetary benefit?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) for non-monetary benefits which may be provided or that may arise in the future, the circumstances in which the	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
non-monetary benefit may be provided or may arise?			
(c) in cases where a retail client would reasonably require such an estimated value for the purposes of deciding whether to acquire the financial product, the estimated value of the non-monetary benefit (expressed as an amount in dollars or a range of amounts in dollars)?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>[ASIC Corporations (Disclosure in Dollar) Instrument 2016/767 para 6(4)(c)]</p> <p>Note: RG 182 indicates that ASIC expects issuers relying on ASIC relief to keep records demonstrating that they are entitled to rely on ASIC relief and that they are complying with the conditions applying to that relief. ASIC states that this should be done whether the issuer are granted relief under ASIC's general exemption and modification powers or under ASIC's determination powers. [RG 182.29]</p>			
22. Does the PDS contain worked dollar examples, unless it is inappropriate? [RG 182]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>Note: ASIC considers that it would rarely be inappropriate to include worked dollar examples where the issuer is relying on a determination, except to the extent that including them would be highly likely to confuse or mislead consumers. [RG 182.33]</p>			
23. Do the worked dollar examples include warnings that make clear the nature and limitations of the example? [RG 182.34]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p><i>Eg: that it is illustrative only</i></p>			
Conditions of release			
24. Does the PDS include information about conditions of release? [1013D(1)(f)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Significant risks			
25. Does the PDS include information about any significant risks associated with holding the product (as distinct from investment risks in general)? [1013D(1)(c)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>Note: ASIC notes that information which bears heavily on the quality of a financial decision is displayed prominently and in a way that is comprehensible to investors. ASIC also notes the need to focus on activities across the entire product life cycle. [REP 384.42-44]</p>			
26. Does the information in the PDS about risks have similar or equal prominence to the information about benefits?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
<p>[RG 168.91]</p> <p>Note: Information about significant risks can be incorporated by reference, subject to information about risks having similar or equal prominence to information about benefits</p>	<input type="checkbox"/> N/A		
<p>27. Where risk disclosure has been dispersed throughout the PDS, have the risks been properly cross-referenced?</p> <p>[REP 214.28] [REP 214.14]</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>28. Where risk disclosure has been dispersed throughout the PDS, does the PDS include an upfront risk summary?</p> <p>[REP 214.14]</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>29. Is the information about the risks of loss of principal, capital or earnings included prominently in the PDS and not in fine print on the inside cover or in an acknowledgement on the application form?</p> <p>[REP 214.34] [REP 214.14]</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>30. Is the information on withdrawal rights, including risk of withdrawal or delays to redemptions, shown prominently in the PDS and not in fine print on the inside cover or in an acknowledgement on the application form?</p> <p>[REP 214.14, 214.34]</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>31. If the product is not a standardised marked traded derivative, does the PDS include information about any significant risks associated with holding the product (as distinct from investment risks in general)?</p> <p>[1013D(1)(c)]</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>32. If the product is not a standardised marked traded derivative, does the PDS include information about any significant risks associated with holding the product (as distinct from investment risks in general)?</p> <p>[1013D(1)(c)]</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>33. Does the PDS include sufficient explanation of risks to ensure consumers understand how the product works?</p> <p>Note: ASIC notes that information which bears heavily on the quality of a financial decision is displayed prominently and in a way that is comprehensible to investors. ASIC also notes the need to focus on activities across the entire product life cycle. [REP 384.42-44]</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
Investment risks			
34. Where the PDS is for more than one investment fund/option, does the PDS clearly set out the different risks for each? [REP 214.42]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: An example may be that for each investment option the PDS give an estimated probability of a negative return in any 12 month period – eg. the probability of a negative return occurring within the balanced option in any 12 month period is 1 in 5.			
35. Does the PDS include a statement to make the client aware that money that relates to derivatives that they deposit in a client money account can be used for margining and other purposes related to dealings in derivatives and not just the amount relating to an individual client's margin payments?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 212.65]			
36. Does the PDS clearly and prominently disclose that money deposited to the issuer that relates to derivative can be used to satisfy obligations arising from derivative dealings on behalf of another client?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 212.71-72]			
Note: ASIC states that this exposes the client to the risk that they may not receive all the money held by the licensee on their behalf in the client money account if there is a deficit in the client money account and the licensee becomes insolvent or is otherwise unable to pay the deficiency [RG 212.71-72].			
Risk of capital protected products			
37. For a capital protected product, does the PDS include a description of the protection offered by the capital protection?	<input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: ASIC states that it will clearer for investors if the PDS explains what this means for investors in words they are likely to understand (e.g. 'the money you get back at maturity may be equivalent to the worst performing reference share'). [REP 340.36]			
[REP 201. 61]			
38. Is the description of the capital protection sufficient to ensure that investors can adequately assess the likelihood of early termination or any other significant limitations?	<input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[REP 201.09]			
Note: ASIC states that this should include disclosure of the potential likelihood of these events occurring, so retail investors cannot be			

Question	Answer	Where?	Reference / Comment
expected to understand what weight to give to these risks in their decision making. [REP 340.36]			
39. If the protection offered does not apply in certain cases (for example early maturity), is the description of the protection not described as being:	<input type="checkbox"/> N/A		
(a) unlimited? and	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
(b) unconditional?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
Note: ASIC states that in these circumstances it considers an unconditional statement to be misleading or deceptive.			
[REP 201. 61]			
40. Is the disclosure sufficiently clear about the priority investors would receive from capital protection in the event of a winding-up?	<input type="checkbox"/> N/A		
	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
Note: ASIC provides the example that if investors rank as unsecured creditors, the disclosure should state that any capital protection is only as good as the entity providing it.			
[REP 201. 62]			
41. If applicable, does the PDS state that while there may be capital protection for the amount invested, that amount may decline in value in the future taking into account the 'time value of money' ?	<input type="checkbox"/> N/A		
	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
[REP 201.70] [REP 340.34]			
42. If applicable, does the PDS illustrate the impact of inflation on a 'capital protected' amount with specific, simple, examples of the 'real' (inflation-adjusted) value of a 'capital protected' amount at maturity?	<input type="checkbox"/> N/A		
	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
[REP 340.34,35]			
43. If there are any issuer discretions associated with the capital protection, does the PDS clearly disclose these discretions?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
	<input type="checkbox"/> N/A		
[REP 201.65]			
44. Where the issuer offers a liquidity facility for a product to investors, does the PDS clearly state:	<input type="checkbox"/> N/A		
(a) any discretion the issuer has to cease offering the liquidity facility?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
(b) that, if the liquidity facility is terminated, then investors might not be able to realise the value of their investment prior to the maturity of the product?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[REP 201.62]			
45. If only a proportion of the investments are capital protected, does the PDS clearly disclose this proportion?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[REP 201.69] [REP 340.34]			
46. Is the information relating to events that could cause the capital protection to cease given appropriate prominence to minimise the risk that the PDS is misleading or deceptive?			
[RG 168.91]			
Break costs			
47. If applicable, does the PDS disclose that break costs may apply where an investor seeks to terminate or redeem a product before its maturity date? [REP 201.10]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
48. Does the PDS disclose the potential quantum of the break costs that may apply, such as by providing a range expressed as percentages of the amount invested? [REP 201.75]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
49. To the extent that break costs cannot be accurately estimated at the time of preparing the PDS, does the PDS disclose:			
(a) that break costs could be a significant and are therefore a risk?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) that an estimate of the break costs will be provided to investors on request at the time they wish to terminate early?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) a description of the main factors affecting the calculation of the break costs including, for example, the cost of unwinding hedge positions?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[REP 201.74]			
50. If the PDS discloses the risk that members who leave the fund early may receive less than they have put in because of poor returns, does the issuer ensure that the PDS avoids suggesting	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
that only people who withdraw shortly after investing will lose their money?			
Note: ASIC states that the global financial crisis demonstrated that long-time members may also end up receiving less than they have contributed, and that this is a high impact risk with a greater-than-negligible probability of occurring.			
[REP 214.44]			
Counterparty risk			
51. Does the disclosure in the PDS relating to counterparty risk include sufficient information to enable a retail investor to make an assessment of the counterparty risk, including, where relevant:			
(a) the risk management and compliance systems of the issuer?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) the criteria used by the issuer to choose hedging counterparties?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) where there are a small number of hedging counterparties, the identities of the counterparties?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(d) sufficient information about the financial position and performance of the issuer?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 168.93]			
52. Is the disclosure relating to counterparty risk sufficiently prominent to reflect the nature of the risk?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 168.92]			
53. For products that involve an investor bearing counterparty risks to parties other than the issuer, does the PDS include disclosure relating to the counterparty risk for those third parties?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[REP 201.60]			

Significant characteristics, terms and conditions

54. Does the PDS include information about:
- (a) any other significant characteristics or features of the product?
- ☐ Yes
☐ No
- ☐ PDS
☐ IBR

Question	Answer	Where?	Reference / Comment
	<input type="checkbox"/> N/A		
(b) the rights, terms, conditions and obligations attaching to the product?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
	<input type="checkbox"/> N/A		
[1013D(1)(f)]			
55. Does the PDS contain details of any minima and maxima that apply (eg investment amounts and withdrawals)? [ME Suggestion]	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
	<input type="checkbox"/> N/A		
Liquidity and withdrawal rights			
56. If investors are given the right to withdraw, does the PDS include information about:	<input type="checkbox"/> N/A		
(a) the current and future prospects of liquidity of the scheme (as defined in Part 5C.6)?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
Note 1: A registered scheme is liquid if the liquid assets account for at least 80% of the value of scheme property [601KA (4)]			
Note 2: ASIC has proposed that the following factors are relevant in determining whether there are reasonable grounds for making a statement about the likely future liquidity of a scheme for the purposes of Part 5C.6:			
(a) the withdrawal period specified in the constitution;			
(b) the types of property the scheme holds and is likely to hold in the future;			
(c) the extent to which there is a market for each type of scheme property and the nature of any market;			
(d) based on the market for each type of scheme property:			
(i) the market value of scheme property; and			
(ii) the time within which the responsible entity might reasonably expect to be able to realise scheme property for its market value;			
(e) how sensitive the liquidity of the scheme is to changes in the factors above;			
(f) the extent of any reliance upon an audit or review by an independent expert of the matters above; and			
(g) the systems which the responsible entity has in place to monitor and manage liquidity risk.			
[Consultation Paper 84]			
(b) the ability of investors to withdraw from the scheme when the scheme:			
(i) is liquid (if there is a realistic possibility of the scheme being liquid)?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
	<input type="checkbox"/> N/A		
(ii) is not liquid (if there is a realistic possibility of the scheme not being liquid)?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) the withdrawal period, including:			
(i) the withdrawal period that will apply to withdrawal requests when the scheme is liquid?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) if the PDS states that withdrawals are normally allowed within a shorter period than specified in the constitution, a statement that the responsible entity does not have an obligation to satisfy withdrawal requests within the shorter withdrawal period?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(d) any significant risk facts that may impact on the ability of investors to withdraw from the scheme (including risk factors that may impact on the liquidity of the schemes)?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[CP 84]			
57. If the PDS states that the scheme is liquid for the purposes of Part 5C.6 (ie. question 56 applies) and there is a long withdrawal period, is the statement regarding liquidity free from the implication that an investor will be able to withdraw from the scheme within a relatively short period?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[CP 84]			
58. Is the information on withdrawal rights including risk of withdrawal or delays to redemptions included prominently in the PDS and not in fine print on the inside cover or in an acknowledgement on the application form?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[REP 214.34]			
Unusual terms			
59. Have the product terms (eg constitution, trust deed, material contracts) been reviewed to ensure all unusual terms are referred to in the PDS? [ME Suggestion]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
Material changes and significant events			
60. Where relevant throughout the PDS, does the PDS state the appropriate notice period that will apply for any notices of material changes or significant events relating to the product? [1017B]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note 1: The time within which the issuer must give the notice depends on the nature of the change or event. An increase in fees or charges must be notified 30 days before the change takes effect. A change or event other than an increase in fees or charges, subject to subsection 1017B(6) , must be notified within 3 months of the change or event occurring.			
Note 2: s1017B does not apply to ED security [1017B(2)].			
Other information that might influence			
61. Does the PDS include other information that might reasonably be expected to have a material influence on the decision of a reasonable person, as a retail client, whether to acquire the product? [1013E]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Application money			
62. Where application moneys are held in trust in accordance with section 1017E, does the PDS include a statement that the issuer is keeping the interest (if any) earned on the application money trust account? [7.9.08A]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: If the issuer does not include this statement, it will not be entitled to the interest on the account.			
Taxation			
63. Does the PDS include general information about any significant taxation implications of products of that kind? [1013D(1)(h)]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
64. Does the trustee intend to manage the fund such that it will qualify as a managed investment trust (MIT) for Australian tax purposes (i.e. an ordinary MIT, withholding MIT and/or attribution MIT (AMIT))?	<input type="checkbox"/> Yes <input type="checkbox"/> No (if 'No' move on to Q66)	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note 1: A trust qualifies as a MIT if it meets the conditions set out in Subdivision 12-H, Schedule 1 of the Tax Administration Act 1953, which is set out in Subdivision 275-A of the Income Tax Assessment Act 1997. Further information provided by the ATO about MITs may be accessed here . [Income Tax Assessment Act 1997 section 275.25]			
Note 2: If the fund qualifies as an AMIT, the trustee will need to make an election for the AMIT regime to apply in respect of the fund.			

Question	Answer	Where?	Reference / Comment
65. Does the PDS include general information about the taxation implications of the fund being a MIT?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
Dispute resolution			
66. Does the PDS include information about:			
(a) the dispute resolution system that covers complaints by holders of the product (covering both internal and external systems)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
(b) how the internal dispute procedures may be accessed?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
(c) how a consumer can access the relevant external dispute resolution scheme?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
<p>[1013D(1)(g)]</p> <p>Note: Transitional relief from the requirements to update PDSs with the Australian Financial Complaints Authority's contact details has been provided until 1 July 2019. See questions 70 to 71 below.</p>			
67. Is the information about the dispute resolution system consistent with the requirements of the Corporations Act 2001 (Cth).	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
[ME Suggestion based on 912A(2), 1017G, RG 165]			
68. Does the PDS state that the external dispute resolution system may only be available to retail clients?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
[ME Suggestion]			
<p>Note: The following questions 69 to 71 apply if the PDS is given before 1 July 2019 where the issuer wishes to rely on the disclosure relief relating to the commencement of the Australian Financial Complaints Authority in ASIC Corporations (AFCA transition) Instrument 2018/447.</p>			
69. Are each of the following satisfied:	<input type="checkbox"/> Yes		
(a) will the PDS be given before 1 July 2019?	<input type="checkbox"/> No		
(b) if the PDS is given on or after 1 November 2018, have the requirements in question 70 been satisfied?			
(c) was a PDS in the same terms first given before the commencement of ASIC Corporations (AFCA transition)			

Question	Answer	Where?	Reference / Comment
Instrument 2018/447 (i.e. 31 May 2018)?			
[Section 6(2) of ASIC Corporations (AFCA transition) Instrument 2018/447]			
70. If the PDS is given after 1 November 2018, has the issuer, on and from 1 November 2018:	<input type="checkbox"/> Yes		
	<input type="checkbox"/> No		
(a) where the issuer has a website – made available on the website current information (the AFCA information) about the AFCA scheme and how that scheme may be accessed? and	<input type="checkbox"/> N/A		
(b) included the AFCA information in any document (other than a document required to be given by or under the Corporations Act) which purports to describe dispute resolution arrangement applicable in relation to financial services provided by the issuer (whether or not it also includes other matters) and is made available by the issuer to other people who have or may receive financial services from the issuer as retail clients? and			
(c) where the issuer is a financial services – ensured that the documentation relating to their internal dispute resolution procedure includes the AFCA information?			
[Sections 6(2)(a) and 10 of ASIC Corporations (AFCA transition) Instrument 2018/447]			
71. Is the information for the purposes of question 70:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> PDS*	
	<input type="checkbox"/> No		
(a) up to date? or			
(b) on or after 1 November 2018 – reflective of the position immediately before that date?			
[Section 6(1)(a) of ASIC Corporations (AFCA transition) Instrument 2018/447]			
Cooling-off regime			
72. Does the PDS include information about any cooling-off regime that applies in respect of acquisitions of the product (whether the regime is provided by a law or otherwise)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> PDS*	
	<input type="checkbox"/> No		
	<input type="checkbox"/> N/A		
[1013D(1)(i)]			

Question	Answer	Where?	Reference / Comment
73. Is the cooling off information in the PDS consistent with section 1019B of the <i>Corporations Act</i> and the <i>Corporations Regulations</i> ? [1019B]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS*	
Client Money			
74. If the issuer holds client money, does the PDS clearly and prominently disclose:	<input type="checkbox"/> N/A		
(a) how it deals with client money? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) when, and on what basis, it makes withdrawals from client money?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 212.16] [RG 168.94]			
75. If client money is to be withdrawn based on a client direction does the PDS include effective disclosure of:	<input type="checkbox"/> N/A		
(a) all aspects of the direction?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS	
(b) the consequences of that direction?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS	
(c) the risks to which the client will be exposed? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS	
(d) the protections the client is giving up by providing the written direction	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS	
[RG 212.55]			
76. If the issuer holds client money, does the PDS prominently disclose when the issuer intends to claim an entitlement to client money? [RG 212.63]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
77. If the issuer is entitled to the interest (if any) on the money held in the client money account, does the PDS disclose, clearly and prominently, that:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(a) the issuer intends to retain the interest? and			
(b) that they will not earn interest on their money in a client money account.			
Note: ASIC states that it considers that this should be done at the time when other details of the client money arrangements are disclosed, for example, in the PDS for the product. [7.8.02(7), RG 212.44]			

Information that may be excluded

Question	Answer	Where?	Reference / Comment
78. If information has been excluded from the PDS was it excluded because it is not reasonable for an investor to expect to find it in a PDS? [1013F]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
79. For a PDS that relates to continuously quoted securities, is there any information that should be excluded because it is contained within the issuer's recent financial reports or continuous disclosure notice? [1013FA] Note: <i>This exclusion overrides the general disclosure requirements of 1013D and 1013E.</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No		
80. Where information is excluded because of question 79, does the PDS:			
(a) state that as a disclosing entity, the issuer of the product is subject to regular reporting and disclosure obligations? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS	
(b) inform people of their right to obtain a copy of any of the documents excluded because of question 79 (which must be given free of charge to anyone who asks for it)?.	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS	
[1013FA]			

Part C - Unlisted mortgage scheme disclosure

Do you need to complete Part C?

This section is only required to be completed if you are a responsible entity of an unlisted mortgage scheme. If you are not, please move to Part D.

In May 2012, ASIC updated its guidance in respect of disclosure to retail clients of unlisted mortgage schemes. Below we have included questions relating to ASIC's 'benchmarks' and 'disclosure principles' which are set out in this guidance.

For the purposes of this guidance, ASIC states that a 'mortgage scheme' is a managed investment scheme that has, or that is likely to have, at least 50% of its non-cash assets invested in mortgage loans and/or unlisted mortgage schemes. Mortgage loans are loans secured by a mortgage over real property (including residential, commercial, industrial or retail property, or vacant land).

ASIC states that it also expects responsible entities of unlisted registered mortgage schemes in which retail investors invest directly or indirectly (e.g. through an investor directed portfolio service) to disclose against the benchmarks and address the disclosure principles. [RG 45.8-9]

Question	Answer	Where?	Reference / Comment
Specific disclosure for unlisted mortgage schemes			
81. Does the PDS explain in a clear, concise and effective way:			
(a) the business model of the scheme and what it will actually do with the money?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) the track record and experience of the senior management?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) the nature of the investor's interest in the scheme (e.g. what withdrawal rights may apply, if any)? [RG 45.97]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
82. Does the PDS explain how the issuer intends to update investors on material changes to key information about the scheme? [RG 45.99]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
83. Does the PDS explain how the responsible entity intends to update investors for ongoing disclosure? [RG 45.141]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: ASIC states that it expects responsible entities to provide disclosure updates relating to the disclosure required by this section at least half-yearly, in addition to providing ongoing updates whenever there have been material			

changes to previously disclosed information.

[RG 45.34] [RG 45.143]

Disclosure Benchmarks and Principles

84. Does the issuer address the benchmarks set out in questions 85 to 95 in the PDS on an 'if not, why not' basis?

[RG 45.15]

Note 1: ASIC states that this approach means stating in the PDS that the issuer either:

- (a) meets the benchmark; or
- (b) does not meet the benchmark, and explaining why not.

Note 2: 'Why not' means explaining how an issuer deals with the business factor or concern underlying the benchmark (including the alternative systems and controls the issuer has in place to deal with the concern).

Note 3: ASIC states that if a benchmark contains multiple requirements, and an issuer cannot meet all requirements under the benchmark, it should state that it does not meet the benchmark and clearly explain why it did not meet the particular requirements.

[RG 45.15-17]

Note 4: ASIC states that failing to meet one or more of these benchmarks does not mean that a product provided by a particular issuer necessarily represents a poor investment, however will need to explain what alternative measures it has in place to mitigate the concern underlying the benchmark.

[RG 45.4]

Benchmark 1: Liquidity

Benchmark 1: Liquidity

For a pooled mortgage scheme, the responsible entity has cash flow estimates for the scheme that:

- (a) demonstrate the scheme's capacity to meet its expenses, liabilities and other cash flow needs for the next 12 months;
- (b) are updated at least every three months and reflect any material changes; and
- (c) are approved by the directors of the responsible entity at least every three months.

[RG 45.34]

85. In the disclosure relating to meeting this benchmark, does the PDS state any material assumptions underlying their cash flows (e.g. historical inflow and outflow rate)?
- ☐ N/A ☐ PDS
☐ Yes ☐ IBR
☐ No

[RG 45.38]

86. If the scheme cannot satisfy the requirements of Benchmark 1, does the PDS disclose:

- (a) why this is the case? ☐ Yes ☐ PDS
☐ IBR
☐ No
- (b) the risks associated with the scheme's level of liquidity? ☐ Yes ☐ PDS
☐ IBR
☐ No
- (c) details about the scheme's approach to liquidity planning, with a view to comply with Benchmark 1? ☐ Yes ☐ PDS
☐ IBR
☐ No

[RG 45.40]

Benchmark 2: Scheme Borrowing

Benchmark 2: Scheme Borrowing

The responsible entity does not have current borrowings and does not intend to borrow on behalf of the scheme.

[RG 45.42]

87. If an unlisted mortgage fund has borrowed funds (whether on or off balance sheet) and does not comply with Benchmark 2, does the PDS:
- (a) include an explanation as to why it has not complied with the benchmark? ☐ Yes ☐ PDS
☐ IBR
☐ No
- (b) state the purpose(s) for which borrowings are made and any other details of the borrowings and credit facilities entered into by the scheme? ☐ Yes ☐ PDS
☐ IBR
☐ No
- (c) describe the risks associated with the scheme's borrowings, such as borrowings which are due to mature within a short time frame? and ☐ Yes ☐ PDS
☐ IBR
☐ No

- (d) make investors aware that they will rank behind creditors of a scheme as a result of such borrowings? ☐ Yes ☐ PDS ☐ IBR ☐ No

Note 1: ASIC states that borrowings that are due to mature within a relatively short timeframe should be disclosed to investors.

Note 2: ASIC states that responsible entities should disclose the fact that, in the event of insolvency, investors will rank behind creditors of a scheme.
[RG 45.43]

Benchmark 3: Loan Portfolio and Diversification

Benchmark 3: Loan Portfolio and Diversification

For a pooled mortgage scheme:

- (a) the scheme holds a portfolio of assets diversified by size, borrower, class of borrower activity and geographic region;
- (b) the scheme has no single asset in the scheme portfolio that exceeds 5% of the total scheme assets;
- (c) the scheme has no single borrower who exceeds 5% of the scheme assets; and
- (d) all loans made by the scheme are secured by first mortgages over real property (including registered leasehold title).
[RG 45.44]

88. If the disclosure requirements under Benchmark 3 have not been met, does the PDS disclose: ☐ N/A

- (a) why? and ☐ Yes ☐ PDS ☐ IBR ☐ No
- (b) the level of risk associated with a less diversified, non-compliant portfolio? ☐ Yes ☐ PDS ☐ IBR ☐ No

[RG 45.46]

Benchmark 4: Related-party transactions

Benchmark 4: Related-party transactions

The responsible entity does not lend to related parties of the responsible entity or to the scheme's investment manager.

[RG 45.47]

89. Does the issuer address the benchmark in the PDS on an 'if not, why not' basis? ☐ Yes ☐ PDS ☐ IBR ☐ No ☐ N/A

[RG 45.15]

90. If the responsible entity has/does lend to related parties or the scheme's investment manager, does the PDS disclose the risks associated with non-compliance in terms of loan-to-valuation ratios, due diligence and credit assessment processes?
- ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A

[RG 45.48]

Benchmark 5: Valuation policy

Benchmark 5: Valuation Policy

In relation to valuations for the scheme's mortgage assets and their security property, the board of the responsible entity requires:

- (a) a valuer to be a member of an appropriate professional body in the jurisdiction in which the relevant property is located;*
- (b) a valuer to be independent;*
- (c) procedures to be followed for dealing with any conflict of interest;*
- (d) the rotation and diversity of valuers;*
- (e) in relation to security property for a loan, an independent valuation to be obtained:*
 - (i) before the issue of a loan and on renewal:*
 - (A) for development property, on both an 'as is' and 'as if complete' basis; and*
 - (B) for all other property, on an 'as is' basis; and*
 - (ii) within two months after the directors form a view that there is a likelihood that a decrease in the value of security property may have caused a material breach of a loan covenant.*

[RG 45.47]

91. If the PDS does not disclose the details of the scheme's valuation policy, does the PDS disclose why the requirements of Benchmark 5 have not been met?
- ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A

[RG 45.40]

Benchmark 6: Lending principles—Loan-to-valuation ratios

Benchmark 6: Lending principles—Loan-to-valuation ratios

If the scheme directly holds mortgage assets:

- (a) where the loan relates to property development—funds are provided to the borrower in stages based on independent evidence of the progress of the development;
- (b) where the loan relates to property development—the scheme does not lend more than 70% on the basis of the latest 'as if complete' valuation of property over which security is provided; and
- (c) in all other cases—the scheme does not lend more than 80% on the basis of the latest market valuation of property over which security is provided.

[RG 45.56]

Note 1: ASIC states that it has separated loans relating to property development from other property-related loans (e.g. residential mortgages). By property development, ASIC means loans whose main or primary purpose is for real estate developments or construction (e.g. home units, retail, commercial, subdivisions and industrial development).

Note 2: ASIC states that the benchmark loan-to-valuation ratio for property development loans is lower than for other loans because it is calculated on an 'as if complete' basis.

Note 3: ASIC states that it expects that, during the term of the loan, the loan-to-valuation ratios will change. The loan-to-valuation ratios in the benchmark refer to the most recent valuation obtained for the relevant property. For second-ranking mortgages, the valuation would be on the basis of the unencumbered value of the property.

[RG 45.58-60]

92. If the PDS does not comply with Benchmark 6, does the PDS disclose why the requirements have not been met?
- | | |
|------------------------------|------------------------------|
| <input type="checkbox"/> Yes | <input type="checkbox"/> PDS |
| <input type="checkbox"/> No | <input type="checkbox"/> IBR |
| <input type="checkbox"/> N/A | |

[RG 45.56]

Benchmark 7: Distribution practices

Benchmark 7: Distribution practices

The responsible entity will not pay current distributions from scheme borrowings.

[RG 45.61]

93. Does the issuer address the benchmark in the PDS on an 'if not, why not' basis?
- | | |
|------------------------------|------------------------------|
| <input type="checkbox"/> Yes | <input type="checkbox"/> PDS |
| <input type="checkbox"/> No | <input type="checkbox"/> IBR |
| <input type="checkbox"/> N/A | |

[RG 45.15]

94. Does the PDS disclose:
- | | |
|--|---|
| <input type="checkbox"/> N/A | |
| (a) where distributions are sourced from and | <input type="checkbox"/> Yes <input type="checkbox"/> PDS
<input type="checkbox"/> IBR |

☐ No

- (b) where these are not sourced from scheme income, explain why?
- ☐ Yes ☐ PDS
☐ IBR
☐ No

Note: ASIC states that investors need to know how distributions are funded because this is an important indicator of the performance of a scheme. In some situations, distributions that are funded wholly, or in part, from sources other than net scheme income (e.g. from borrowings) for the relevant distribution period may indicate that the distribution practices are unsustainable over the long term or may be insufficient to meet advertised returns.

[RG 45.62]

Benchmark 8: Withdrawal arrangements

Benchmark 8: Withdrawal arrangements

Liquid Schemes

For liquid schemes:

- (a) the maximum period allowed for in the constitution for the payment of withdrawal requests is 90 days or less;
- (b) the responsible entity will pay withdrawal requests within the period allowed for in the constitution; and
- (c) the responsible entity only permits members to withdraw at any time on request if at least 80% (by value) of the scheme property is:
 - (i) money in an account or on deposit with a bank and is available for withdrawal immediately, or otherwise on expiry of a fixed term not exceeding 90 days, during the normal business hours of the bank; or
 - (ii) assets that the responsible entity can reasonably expect to realise for market value within 10 business days.

Non-liquid schemes

For non-liquid schemes, the responsible entity intends to make withdrawal offers to investors at least quarterly.

[RG 45.64]

Note: ASIC notes that if the scheme is a 'liquid scheme' responsible entities should indicate that the 'non-liquid scheme' section of this benchmark is not applicable (or vice versa).

95. If the benchmark has not been met for either liquid or non-liquid schemes, does the PDS state why this benchmark has not been met?
- ☐ Yes ☐ PDS
☐ IBR
☐ No
☐ N/A

[RG 45.64, RG 45.65]

Disclosure principle 1: Liquidity

96. Does the PDS disclose information about the current and future prospects of the liquidity of the scheme and whether it is reasonably expected that there will be any change to the schemes expenses, liabilities and other cash flow needs affecting liquidity?
- ☐ Yes ☐ PDS
☐ No ☐ IBR

Note: ASIC states that if a responsible entity has no reasonable grounds for commenting on the scheme's liquidity prospects, the PDS should explain to investors why this is.

[RG 45.72]

97. Does the PDS disclose information about the material risk factors which may affect the liquidity of the scheme?
- ☐ Yes ☐ PDS
☐ No ☐ IBR

[RG 45.74]

98. Does the PDS disclose information about the policy of the scheme with regards to balancing the maturity of its assets and the maturity of its liabilities?
- ☐ Yes ☐ PDS
☐ No ☐ IBR

[RG 45.74]

Disclosure principle 2: Scheme borrowing

99. If the scheme has borrowings due in less than two years, does the PDS disclose the total debt due, the maturity profile for each 12 month period, the undrawn credit facility and whether refinancing or sale of the assets is likely during this period?
- ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A

[RG 45.75]

100. If the scheme has borrowings due between two and five years, does the PDS disclose the total debt due, the maturity profile for each 12 month period and the undrawn credit facility?
- ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A

[RG 45.75]

101. If the scheme has borrowings due after five years, does the PDS disclose the total debts due?
- ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A

[RG 45.75]

102. If the scheme has borrowed funds, does the PDS disclose:
- (a) the reasons why it has borrowed the funds? and
- ☐ N/A ☐ Yes ☐ PDS
☐ IBR

(b) the purpose of the borrowed funds?

☐ No ☐ PDS
☐ Yes ☐ IBR

[RG 45.75]

☐ No

103. Does the PDS disclose any material loan covenant breaches as well as any additional information about any previous or current breaches?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
[RG 45.75]		
104. Does the PDS make investors aware that; where a scheme has borrowed funds, investors rank behind creditors in terms of the payment of returns and debts in the event of insolvency or winding-up?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
[RG 45.75]		
105. Does the PDS disclose the credit facility maturity profile and any risks associated with the scheme's borrowing?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
[RG 45.75]		
106. If existing, does the PDS disclose:		
(a) the details of any interest rate and foreign exchange hedging policies of the responsible entity?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
(b) whether the scheme's variable interest rate and/or foreign exchange exposure conforms with the responsible entity's policies?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
[RG 45.76]		

Disclosure principle 3: Loan portfolio and diversification

107. For pooled mortgage schemes, does the PDS disclose information about the scheme's investment portfolio (calculated by number and value) including:	<input type="checkbox"/> N/A	
(a) loans by class of activity?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
(b) loans by geographic region?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
(c) the number and proportion of loans which are in default or arrears for more than 30 days?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR

(d)	the nature of the security for loans made by the scheme?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
		<input type="checkbox"/> No	
(e)	loans which are approved but for which the funding has not been advanced?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
		<input type="checkbox"/> No	
(f)	the maturity profile of all loans (in increments of not more than 12 months)?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
		<input type="checkbox"/> No	
(g)	loan-to-valuation ratios for loans (in percentage ranges)?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
		<input type="checkbox"/> No	
(h)	interest rates on loans (in percentage ranges)?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
		<input type="checkbox"/> No	
(i)	loans where interest has been capitalised?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
		<input type="checkbox"/> No	
	[RG 45.80]		
108.	Does the PDS disclose information regarding the amount and proportion of the total loan money that has been lent to the ten largest borrowers (either with specific reference to each borrower or as an aggregate amount)?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
	[RG 45.80]		
109.	Does the PDS disclose information regarding the percentage of loans secured by second-ranking mortgages?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
	[RG 45.80]		
110.	Does the PDS disclose information regarding the use of derivatives (if any)?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
	[RG 45.80]		
111.	Does the PDS disclose information regarding the details and value of the non-mortgage assets of the scheme?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
	[RG 45.80]		
112.	Does the PDS disclose information regarding the scheme's diversification policy, and how the assets correlate with that policy?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR

[RG 45.80]

-
113. For funds lent generally, does the PDS disclose:
- | | | |
|--|------------------------------|------------------------------|
| | <input type="checkbox"/> N/A | <input type="checkbox"/> PDS |
| | <input type="checkbox"/> Yes | <input type="checkbox"/> IBR |
- (a) the maximum loan amount for any one borrower?
- | | | |
|--|-----------------------------|--|
| | <input type="checkbox"/> No | |
|--|-----------------------------|--|
- (b) the method of assessing borrower's capacity to service loans?
- | | |
|------------------------------|------------------------------|
| <input type="checkbox"/> Yes | <input type="checkbox"/> PDS |
| <input type="checkbox"/> No | <input type="checkbox"/> IBR |
- (c) the responsible entity's policy on revaluing security property when the loan is rolled-over or renewed?
- | | |
|------------------------------|------------------------------|
| <input type="checkbox"/> Yes | <input type="checkbox"/> PDS |
| <input type="checkbox"/> No | <input type="checkbox"/> IBR |
- (d) the approach to taking security with regard to terms of the type of security, the circumstances under which it is taken and whether or not it needs to be income-producing?
- | | |
|------------------------------|------------------------------|
| <input type="checkbox"/> Yes | <input type="checkbox"/> PDS |
| <input type="checkbox"/> No | <input type="checkbox"/> IBR |

[RG 45.81]

-
114. If a scheme invests in another unlisted mortgage scheme, does the PDS disclose its policy on investing in those schemes, including the extent to which those schemes are required to meet the disclosure principles and benchmarks?
- | | |
|------------------------------|------------------------------|
| <input type="checkbox"/> Yes | <input type="checkbox"/> PDS |
| <input type="checkbox"/> No | <input type="checkbox"/> IBR |
| <input type="checkbox"/> N/A | |

[RG 45.82]

Disclosure principle 4: Related-party transactions

115. Does the PDS disclose the details of a related party transaction to which the scheme is a party, including information about the nature of the relationship, the financial benefit and the risks associated with the transaction?
- | | |
|------------------------------|------------------------------|
| <input type="checkbox"/> Yes | <input type="checkbox"/> PDS |
| <input type="checkbox"/> No | <input type="checkbox"/> IBR |
| <input type="checkbox"/> N/A | |

[RG 45.88]

116. With respect to a related party transaction, does the PDS disclose whether an exception applies allowing the transaction including if:
- ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A
- (a) the transaction is at arm's length?
- (b) there is reasonable remuneration involved?
- (c) relief has been granted by the Australian Securities and Investments Commission?
- (d) an exception applies pursuant to Chapter 2E of the Corporations Act 2001?

[RG 45.88]

117. Does the PDS disclose whether:
- ☐ N/A
- [RG 45.88]
- (a) member approval has been sought in regard to the related party transaction
- ☐ Yes ☐ PDS
☐ No ☐ IBR
- (b) and if so, when?
- ☐ Yes ☐ PDS
☐ No ☐ IBR

Disclosure principle 5: Valuation policy

118. Does the PDS disclose where investors may access the scheme's valuation policy?
- ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A
- [RG 45.91]
119. Does the PDS disclose the processes employed to form a view on the value of security property including the frequency of valuations?
- ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A

[RG 45.91]

120. Does the PDS disclose any inconsistencies between current valuation and the scheme's valuation policy?
- ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A

Note: ASIC states that the provision of information regarding a valuation policy is only necessary with respect to the property in which an investor has, or is being offered, an interest [RG 45.92].

[RG 45.91]

Disclosure principle 6: Lending principles—Loan-to-valuation ratios

121. Where a scheme directly holds mortgage assets, does the PDS disclose the maximum and weighted loan-to-valuation ratios for the scheme?
- ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A

[RG 45.94]

122. Where a scheme directly holds mortgage assets, and funds are lent for property development, does the PDS disclose the:	<input type="checkbox"/> N/A	
(a) criteria against which the funds are drawn down?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
	<input type="checkbox"/> No	
(b) the percentage of the completion of any property under development as at the date of reporting? and	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
	<input type="checkbox"/> No	
(c) and the loan-to-cost ratio of each property development loan as at the date of reporting?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
	<input type="checkbox"/> No	
[RG 45.95]		
123. Does the PDS disclose the percentage of the scheme's assets which are property development loans?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
	<input type="checkbox"/> No	
	<input type="checkbox"/> N/A	
[RG 45.95]		
124. If over 20 per cent of the scheme's assets are property development loans, does the PDS describe this percentage as a 'significant component of funds?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
	<input type="checkbox"/> No	
	<input type="checkbox"/> N/A	
[RG 45.95]		
125. If the loan-to-cost ratio is more than 75 per cent, does the PDS note this?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
	<input type="checkbox"/> No	
	<input type="checkbox"/> N/A	
[RG 45.95]		
Disclosure principle 7: Distribution practices		
126. Where a responsible entity makes or forecasts distributions to members, does the PDS disclose the source of the distributions (e.g. from income earned in the relevant distribution period, operating cash flow, financing facility, capital, application money)?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
	<input type="checkbox"/> No	
	<input type="checkbox"/> N/A	
[RG 45.99]		
127. If the distribution is not solely sourced from income, does the PDS disclose:	<input type="checkbox"/> N/A	
(a) the reasons why these distributions were made?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
	<input type="checkbox"/> No	

(b) whether these distributions are sustainable over the next 12 months? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
(c) the associated risks?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
[RG 45.99]		
<hr/>		
128. Does the PDS disclose:	<input type="checkbox"/> N/A	
(a) when the distributions will be paid? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
(b) with what frequency?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
[RG 45.99, RG 45.100]		
<hr/>		
129. If the scheme promotes a particular return on investment, does the PDS disclose:	<input type="checkbox"/> N/A	
(a) details of the circumstances in which the return may be less than represented?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
(b) details of how that lower return will be determined?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
[RG 45.100]		
<hr/>		
130. For a contributory mortgage scheme, does the PDS disclose the information required for Disclosure Principle 7 to the particular investor concerned?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
[RG 45.100]		
<hr/>		
131. Does the PDS contain a table identifying up to five factors which would have the largest impact on forecast distributions?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
[RG 45.101]		
<hr/>		
132. Does the table required by question 131 include the risks of changes to those factors on distributions and a sensitivity analysis based on changes to those factors?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
Note: ASIC states that it must also explain how any excess returns actually earned by the scheme will be applied.		
[RG 45.101]		

Disclosure principle 8: Withdrawal arrangements

133. Does the PDS disclose: ☐ N/A

(a)	information regarding the scheme's withdrawal policy, and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
(b)	any rights the responsible entity has to change the policy?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
	[RG 45.104]		
<hr/>			
134.	Does the PDS disclose information regarding the rights of investors to withdraw from the scheme when it is:	<input type="checkbox"/> N/A	
(a)	liquid? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
(b)	non-liquid?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
	[RG 45.104]		
<hr/>			
135.	Does the PDS disclose information regarding any significant risk factors or limitations that may affect the ability of investors to withdraw?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
	[RG 45.104]		
<hr/>			
136.	Does the PDS disclose information regarding the scheme's approach to rollovers and renewals, including information on whether, by default, investments in the scheme are automatically rolled over or renewed?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
	[RG 45.104]		
<hr/>			
137.	If the withdrawals from the scheme are to be funded from an external liquidity facility, does the PDS dive details of the material terms of this facility, including any rights the provider has to suspend or cancel the facility?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
	[RG 45.104]		
<hr/>			
138.	Does the PDS disclose the maximum withdrawal period that applies to the payment of withdrawal requests when the scheme is liquid?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
	[RG 45.104]		
<hr/>			
139.	Does the PDS disclose any rights the responsible entity has to refuse or suspend withdrawal requests?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
	[RG 45.104]		
<hr/>			

140. Does the PDS disclose the policy of the scheme on balancing the maturity of its assets with the maturity of its liabilities?
- ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A

Note: ASIC states that if a scheme has a policy of ensuring that sufficient assets are held in readily realisable investments to meet future withdrawal requests, the responsible entity should state this in its PDS, provide details of the source of the realisable investment and report against this in its ongoing disclosure [RG 45.104(j)].

[RG 45.104]

141. Where a PDS gives information regarding the ability of an investor to withdraw from a scheme, does the PDS:
- (a) provide additional information regarding the grounds for that information? ☐ Yes ☐ PDS
☐ No ☐ IBR
- (b) the supporting assumptions for any statements made? and ☐ Yes ☐ PDS
☐ No ☐ IBR
- (c) the basis for those statements? ☐ Yes ☐ PDS
☐ No ☐ IBR
- Note:** ASIC states that a statement cannot be based solely on the opinion of directors if there are no objective grounds to support that opinion.

[RG 45.105]

142. Does the PDS disclose additional risk factors resulting in a withdrawal request may not be satisfied? ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A

[RG 45.105]

143. Where a representation is made as to historical withdrawal periods in reference to a current withdrawal period, does the PDS make it clear that there is no causal link between the past and present availability of withdrawals? ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A

[RG 45.106]

144. Where a fixed redemption unit price is promoted, does the PDS disclose:
- (a) circumstances in which this amount may be lower? ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ No

- (b) how that amount will be calculated? and ☐ Yes ☐ PDS
☐ No ☐ IBR
- (c) what impact that a default under the schemes mortgage assets will have on investors? ☐ Yes ☐ PDS
☐ No ☐ IBR

[RG 45.107]

145. For a contributory mortgage scheme, does the PDS disclose the required information for Disclosure Principle 8 to the particular investor concerned? ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A

[RG 45.108]

Part D - Unlisted property scheme disclosure

Do you need to complete Part D?

This section is only required to be completed if you are a responsible entity of an unlisted property scheme. If you are not, please move on to Part E.

In March 2012, ASIC updated its guidance in respect of disclosure to retail clients of unlisted property schemes. Below we have included questions relating to ASIC's 'benchmarks' and 'disclosure principles' which are set out in this guidance.

For the purpose of this guidance, ASIC states that an 'unlisted property scheme' is an unlisted managed investment scheme that has or is likely to have at least 50% of its non-cash assets invested in real property and/or in unlisted property schemes, and that infrastructure assets are not 'real property' for the purposes of this definition.

ASIC specifies that this guidance applies to registered unlisted property schemes in which retail investors invest directly or indirectly (e.g. through an investor directed portfolio service). ASIC also specifies that it does not apply to:

- (a) listed property schemes;*
- (b) property securities funds whose only exposure to property is through investments in listed property schemes;*
- (c) property schemes that do not have any direct or indirect investment by retail investors; or*
- (d) serviced strata schemes or timeshare schemes.*

[RG 46.1-3]

Question	Answer	Where?	Reference / Comment
Specific disclosure for unlisted property schemes			

146. Does the PDS explain in a clear, concise and effective way:

Question	Answer	Where?	Reference / Comment
(a) the business model of the scheme and what it will actually do with the money raised by the PDS?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) the track record and experience of the senior management?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) the key features and risks of the scheme	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 46.122]			
147. Does the PDS explain how the issuer intends to update investors on material changes to key information about the scheme?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 46.124]			

Disclosure Benchmarks and Principles

Note 1: ASIC expects that when meeting the disclosure required in respect of the benchmarks and principles below, it is done on an 'if not, why not' basis?

Note 2: ASIC states that this approach means stating in the PDS that the issuer either:

(a) meets the benchmark; or

(b) does not meet the benchmark, and explaining why not.

Note 3: 'Why not' means explaining how an issuer deals with the business factor or concern underlying the benchmark (including the alternative systems and controls the issuer has in place to deal with the concern).

Note 4: ASIC states that if a benchmark contains multiple requirements, and an issuer cannot meet all requirements under the benchmark, it should state that it does not meet the benchmark and clearly explain why it did not meet the particular requirements.

[RG 46.9] [RG 46.28-30]

Note 5: ASIC states that the responsible entity should update investors in writing on the status of key information, including the benchmark and disclosure principle information, at least every six months.

[RG 46.144]

Benchmark 1: Gearing policy

Benchmark 1:

The responsible entity maintains and complies with a written policy that governs the level of gearing at an individual credit facility level.
[RG 46.31]

Question	Answer	Where?	Reference / Comment
148. Does the PDS describe the responsible entity's gearing policy?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	[RG 46.34]
149. Does the PDS state the gearing ratio for the scheme?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	[RG 46.33]
150. Does the PDS state whether the responsible entity monitors and manages the gearing levels of individual credit facilities within the scheme?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	[RG 46.33]
151. Does the PDS state that the responsible entity complies with the gearing policy?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	[RG 46.34]
152. If the benchmark has not been met, does the PDS:	<input type="checkbox"/> N/A		
(a) explain why it has not been met? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) describe the risks associated with the approach to gearing that the responsible entity has adopted?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	[RG 46.35]
Benchmark 2: Interest cover policy			
<div style="border: 1px solid black; padding: 10px;"> <p>Benchmark 2:</p> <p><i>The responsible entity maintains and complies with a written policy that governs the level of interest cover at an individual credit facility level.</i></p> <p>[RG 46.36]</p> </div>			
153. Does the PDS describe the responsible entity's interest cover policy?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	[RG 46.39]
154. Does the PDS state the interest cover ratio for the scheme?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	[RG 46.38]
155. Does the PDS state whether the responsible entity monitors and manages interest cover at an individual credit facility level?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
[RG 46.38]			
156. Does the PDS state that the responsible entity complies with the interest cover policy?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 46.39]			
157. If the benchmark has not been met, does the PDS:	<input type="checkbox"/> N/A		
(a) explain why it has not been met? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) describe the risks associated with the approach to interest cover that the responsible entity has adopted?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 46.40]			
Benchmark 3: Interest capitalisation			
<div style="border: 1px solid black; padding: 10px;"> <p>Benchmark 3:</p> <p><i>The interest expense of the scheme is not capitalised.</i></p> <p>[RG 46.41]</p> </div>			
158. Does the PDS state that the interest expense of the scheme is not capitalised?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 46.43]			
159. Does the PDS describe how the responsible entity will meet its interest obligations?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 46.42]			
160. If the benchmark has not been met, does the PDS:	<input type="checkbox"/> N/A		
(a) explain why it has not been met?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) describe the risks associated with the capitalisation of interest? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) provide details about how it intends to meet its repayment obligations for any borrowing undertaken on behalf of the scheme?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 46.44]			

Question	Answer	Where?	Reference / Comment
Benchmark 4: Valuation policy			
<p>Benchmark 4:</p> <p><i>The responsible entity maintains and complies with a written valuation policy that requires:</i></p> <p>(a) a valuer to:</p> <p>(i) be registered or licensed in the relevant state, territory or overseas jurisdiction in which the property is located (where a registration or licensing regime exists), or otherwise be a member of an appropriate professional body in that jurisdiction; and</p> <p>(ii) be independent;</p> <p>(b) procedures to be followed for dealing with any conflicts of interest;</p> <p>(c) rotation and diversity of valuers;</p> <p>(d) valuations to be obtained in accordance with a set timetable; and</p> <p>(e) for each property, an independent valuation to be obtained:</p> <p>(i) before the property is purchased:</p> <p>(A) for a development property, on an 'as is' and 'as if complete' basis; and</p> <p>(B) for all other property, on an 'as is' basis; and</p> <p>(ii) within two months after the directors form a view that there is a likelihood that there has been a material change in the value of the property.</p> <p>[RG 46.45]</p>			
161. Does the PDS disclose:	<input type="checkbox"/> N/A		
(a) a summary of its valuation policy	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
(b) that the scheme currently complies with this policy	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
(c) where an investor can obtain a copy of the full valuation policy.	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
[RG 46.50]			
162. If the benchmark has not been met, does the PDS:	<input type="checkbox"/> N/A		
(a) explain why it has not been met? and	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
(b) describe the risks associated with the approach to valuation that the responsible entity has adopted?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
[RG 46.51]			
163. If a responsible entity discloses the value of a property under development on an 'as if complete' basis, does the PDS also disclose the 'as is' basis of the valuation?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
	<input type="checkbox"/> N/A		
[RG 46.52]			
164. If the responsible entity discloses the value of a property under development on an 'as if complete' basis, does the PDS	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
	<input type="checkbox"/> N/A		

Question	Answer	Where?	Reference / Comment
also disclose the risks associated with 'as if complete' valuations?			
Note: ASIC states that the PDS should disclose the risk that assumptions on which 'as if complete' valuations are based may prove to be inaccurate.			
[RG 46.50]			
Benchmark 5: Related party transactions			
Benchmark 5: <i>The responsible entity maintains and complies with a written policy on related party transactions, including the assessment and approval processes for such transactions and arrangements to manage conflicts of interest.</i> [RG 46.53]			
Note: ASIC states that the term 'related party' is defined in s.228 (as modified by part 5C.7 for registered schemes) and includes the responsible entity. Responsible entities should refer to guidance in RG 76 'Related party transactions' including, among other things, PDSs and other disclosure documents.			
165. Does the PDS state in summary form the key elements of the policy and procedures that the responsible entity has in place for entering into related party transactions?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 46.55]			
166. Does the PDS describe how compliance with its policy and procedures is monitored?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 46.55]			
167. Does the PDS state that the responsible entity currently complies with these policies and procedures?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 46.55]			
168. Does the PDS state where investors may obtain more detail on the responsible entity's policy and procedures for related party transactions?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 46.55]			
169. If the benchmark has not been met, does the PDS:	<input type="checkbox"/> N/A		
(a) explain why it has not been met?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) describe the implications of not meeting the benchmark?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
(c) describe the arrangements the responsible entity has in place in relation to related party transactions? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(d) describe the risks associated with the approach to related party transactions that the responsible entity has taken?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 46.56]			

Benchmark 6: Distribution practices

Benchmark 6:

The scheme will only pay distributions from its cash from operations (excluding borrowings) available for distribution.

[RG 46.57]

170. Does the PDS state that the scheme will only pay distributions from its cash from operations (excluding borrowings) available for distribution?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 46.60]			
171. If the benchmark has not been met, does the PDS:	<input type="checkbox"/> N/A		
(a) explain why it has not been met?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) provide details of the sources of funds it intends to use to meet distributions?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) outline any risks to the scheme of using the funds mentioned in 171(b) above for this purpose?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 46.61]			

Disclosure principle 1: Gearing ratio

172. Does the PDS disclose a gearing ratio calculated using the following formula:	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
$\frac{\text{Total interest bearing liabilities}}{\text{Total assets}}$			

Note: ASIC states that if a scheme or stapled group prepares consolidated financial statements, the gearing ratio should be based on the consolidated figures.

[RG 46.62]

Question	Answer	Where?	Reference / Comment
173. If the gearing ratio is not based on the latest financial statements, does the PDS state:	<input type="checkbox"/> N/A		
(a) the source(s) of the information?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
and	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
(b) the date of the information?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
[RG 46.63]	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
174. If the scheme has material off balance sheet financing, does the PDS disclose the following gearing ratios:	<input type="checkbox"/> N/A		
(a) a 'look through' gearing ratio that takes into account such financing?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
and	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
(b) a gearing ratio based on liabilities disclosed in the scheme's financial statements?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
[RG 46.64]			
175. Does the PDS explain to investors what the gearing ratio means in practical terms and how investors can use the ratio to determine the scheme's level of risk?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
[RG 46.65]			
176. If the gearing ratio and/or the 'look through' gearing ratio is unable to be calculated, does the PDS:	<input type="checkbox"/> N/A		
(a) state that the ratio cannot be calculated?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
(b) state why the ratio cannot be calculated?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
(c) explain the risks and impact of being unable to calculate the ratio?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
(d) describe the steps being taken by the responsible entity to address any such risks?	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
[RG 46.66]	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
Disclosure principle 2: Interest cover policy			
177. Does the PDS disclose the scheme's interest cover using the following formula?:	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
<i>EBITDA – unrealised gains + unrealised losses</i>			

Question	Answer	Where?	Reference / Comment
<p style="text-align: center;"><i>interest expense</i></p> <p>Note: ASIC states that the interest cover ratio should be calculated based on the consolidated figures, taking into account any related hedging arrangements.</p> <p>[RG 46.71]</p>			
178. If the interest cover ratio is not based on the latest financial statements, does the PDS state:	<input type="checkbox"/> N/A		
(a) the source(s) of the information? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) the date of the information?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 46.72]			
179. Does the PDS explain how investors can use the interest cover to assess the scheme's ability to meet its interest payments? [RG 46.74]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
180. If the interest cover ratio is unable to be calculated by the reporting entity, does the PDS disclose:	<input type="checkbox"/> N/A		
(a) the reasons why the ratio was not able to be calculated?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) explanation of the arrangements made to meet the payment obligations related to the borrowed funds?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) the risks associated with these arrangements?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(d) the risks and impact of not being able to calculate the ratio? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(e) the steps being undertaken by the responsible entity to address these risks?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 46.76]			
Disclosure principle 3: Scheme borrowing			
181. If a scheme has borrowed funds (whether on or off balance sheet), does the PDS disclose:	<input type="checkbox"/> N/A		
(a) for each borrowing that will mature in 5 years or less – the aggregate amount owing and the maturity profile in increments of not more than 12 months?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
(b) for borrowings that mature in more than 5 years – the aggregate amount owing?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) whether the scheme would breach any covenants in any credit facility if either the operating cash flow or the value of the asset(s) used as security for the facility were to fall by 10% or more?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(d) for each credit facility:			
(i) the aggregate undrawn amount?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) the assets to which the facility relates?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(iii) the loan-to-valuation and interest cover covenants under the terms of the facility?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(iv) the interest rate of the facility? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(v) whether the facility is hedged?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(e) details of any terms within the facility that may be invoked as a result of scheme members exercising their rights under the constitution of the scheme?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(f) the maturity profile in increments of no more than 12 months? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(g) the fact that amounts owing to lenders and other creditors of the scheme rank before an investor's interest in the scheme?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 46.78]			
182. If borrowings and credit facilities are to mature within 12 months, does the PDS disclose the prospects of refinancing or possible alternative actions?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 46.79]			
183. If the issuer has no reasonable grounds on commenting on the prospect of	<input type="checkbox"/> N/A		

Question	Answer	Where?	Reference / Comment
refinancing or possible alternative actions, does the PDS:	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
(a) state this? and	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
(b) explain why?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
[RG 46.79]	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
184. Does the PDS explain any risks associated with the issuer's borrowing maturity profile, including whether borrowers have been hedged, and if so, to what extent?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
[RG 46.79]			
185. Does the PDS disclose any information about breaches or likely breaches of loan covenants that is reasonably required by investors?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
[RG 46.81]			
Disclosure principle 4: Portfolio diversification			
186. Does the PDS disclose the current composition of the scheme's direct property investment portfolio, including:	<input type="checkbox"/> N/A		
(a) properties by geographical location by number and value?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
(b) non-development properties by sector (e.g. industrial, commercial, retail, residential) and development projects by number and value?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
(c) for each significant property, the most recent valuation, the date of the valuation, whether the valuation was performance by an independent valuer and, where applicable the capitalisation rate adopted in the variation?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
(d) the portfolio lease expiry profile in yearly periods calculated on the basis of lettable area or income and where applicable, the weighted average lease expiry?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
(e) the occupancy rate(s) of the property portfolio? For the top five tenants that each constitute 5% or more by income across the investment portfolio, the name of	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
the tenant and percentage of lettable area or income?			
(f) the current value of the development and/or construction assets of the scheme as a percentage of the current value of the total assets of the scheme?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 46.87]			
187. Does the PDS disclose the issuer's investment strategy on the portfolio composition, including its strategy on investing in other unlisted property schemes?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 46.88]			
188. Does the PDS disclose whether the scheme's current assets conform to issuer's investment strategy?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 46.88]			
189. Does the PDS disclose any significant variance from the issuer's investment strategy?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 46.88]			
190. Does the PDS provide a clear description of any significant non-direct property assets of the scheme, including the value of such assets?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 46.88]			
191. For each significant development asset, does the PDS disclose:	<input type="checkbox"/> N/A		
(a) the development timetable with key milestones?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) a description of the status of the development against the key milestones identified?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) a description of the nature of the funding arrangements for the development (including the sources of the funding and repayment strategies where borrowing is used to fund the development)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
(d) the total amounts of pre-sale and lease pre-commitments where applicable?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(e) whether the loan-to-valuation ratio for the asset(s) under development exceeds 70% of the 'as is' valuation of the asset(s)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(f) the risks associated with the property development activities being undertaken?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 46.89]			
192. If the scheme has over 20% of its property assets in development, is the scheme clearly identified in the PDS as a development and/or construction scheme?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 46.90]			
193. Does the PDS disclose the progress of the development(s) against a development timetable?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 46.95]			
Disclosure principle 5: Related party transactions			
194. If the issuer enters into transactions with related parties, does the PDS disclose related party arrangements relevant to the investment decision, including:	<input type="checkbox"/> N/A		
(a) the value of the financial benefit?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) the nature of the relationship (i.e. the identity of the related party and the nature of the arrangements between the parties, in addition to how the parties are related for the purposes of the Corporations Act or ASX Listing Rules)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) whether the arrangement is;			
(i) on arm's length terms?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) is reasonable remuneration?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(iii) some other exception applies? or	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
(iv) relief has been granted?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
(d) whether:	<input type="checkbox"/> N/A		
(i) scheme member approval for the transaction has been sought? and	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
(ii) if so, when? and	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
(e) the risks associated with the related party arrangement?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
(f) whether:	<input type="checkbox"/> N/A		
(i) the responsible entity is in compliance with its policies and procedures for entering into related party transactions for the particular related party arrangement? and	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
(ii) how this is monitored.	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
[RG 46.98]			

195. Does the PDS disclose information about existing related party transactions, except to the extent that:

- (a) such disclosure may confuse investors by dealing with inconsequential matters? and
- ☐ N/A
- ☐ Yes ☐ PDS
- ☐ No ☐ IBR
- (b) investors already have adequate information about related party transactions as a result of past disclosures so it is not reasonable for the information to be repeated in full?
- ☐ Yes ☐ PDS
- ☐ No ☐ IBR

[RG 46.101]

Disclosure principle 6: Distribution practices

196. If the scheme is making or forecasts making distributions to members, does the PDS disclose:
- ☐ N/A
- (d) the source of the current distribution?
- ☐ Yes ☐ PDS
- ☐ No ☐ IBR

Question	Answer	Where?	Reference / Comment
(e) the source of any forecast distribution?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(f) whether the current or forecast distributions are sustainable over the next 12 months?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(g) if the current or forecast distribution is not solely sourced from realised income, the sources of funding and the reason for making those distributions from other sources?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(h) if the current or forecast distribution is sourced other than from realised income:	<input type="checkbox"/> N/A		
(i) whether this is sustainable over the next 12 months? or	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) an explanation of the reasonable grounds why it is not disclosed?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(i) the impact of, any risks associated with, the payment of distributions from the scheme from sources other than the realised income.	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

[RG 46.102]

- | | | |
|---|---|--|
| 197. If the scheme makes distributions to members from capital and/or unrealised gains where cash is available from either within the fund or from borrowings, does the PDS clearly and prominently disclose whether these distributions are sustainable? | <input type="checkbox"/> N/A
<input type="checkbox"/> Yes
<input type="checkbox"/> No | <input type="checkbox"/> PDS
<input type="checkbox"/> IBR |
|---|---|--|

[RG 46.103]

Disclosure principle 7: Withdrawal arrangements

- | | | |
|---|---|--|
| 198. If investors are given the right to withdraw from the scheme, does the PDS clearly disclose: | <input type="checkbox"/> N/A | |
| (a) whether: | | |
| (i) the constitution of the scheme makes provision | <input type="checkbox"/> Yes
<input type="checkbox"/> No | <input type="checkbox"/> PDS
<input type="checkbox"/> IBR |

Question	Answer	Where?	Reference / Comment
for investors to withdraw from the scheme? and			
(i) a description of the circumstances in which investors can withdraw?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) the maximum withdrawal periods allowed under the constitution for the scheme (this disclosure should be at least as prominent as any shorter withdrawal period promoted to investors)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) any significant risks or limitations that may affect the ability of investors to withdraw from the scheme or the unit price at which any withdrawal will be made (including risk factors that may affect the ability of the issuer to meet a promoted withdrawal period)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(d) a clear explanation of how investors can exercise their withdrawal rights, including any conditions on exercise (e.g. specified withdrawal periods and scheme liquidity arrangements)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(e) if withdrawals from the scheme are to be funded from an external liquidity facility, the material terms of this facility including any rights the provider has to suspend or cancel the facility? [RG 46.104]	<input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
199. If the investor has no right to withdraw, does the PDS disclose this? [RG 46.106]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Disclosure principle 8: Net tangible assets			
200. Does the PDS clearly state the value of the net tangible assets (NTA) of the scheme on a per unit basis in pre-tax dollars? [RG 46.108]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
201. Is the NTA of the scheme calculated using the following formula?: <i>Net assets – intangible assets +/- any other adjustments</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
<p><i>Number of units in the scheme on issue</i></p> <p>[RG 46.109]</p>			
202. Does the PDS state the methodology for calculating the NTA?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	[RG 46.110]
203. Does the PDS state the details of the adjustments used in the calculation of the NTA, including the reasons for the adjustments?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	[RG 46.110]
204. Does the PDS explain what the NTA calculation means in practical terms and how investors can use the NTA calculation to determine the scheme's level of risk?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	[RG 46.111]
205. Does the PDS explain what the NTA calculation means in practical terms and how investors can use the NTA calculation to determine the scheme's level of risk?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	<p>Note: ASIC states that it is inadequate to simply state what the NTA calculation is. An explanation of the NTA calculation should address the risks that may arise as a result of the current NTA for the scheme.</p> <p>[RG 46.111]</p>
206. Does the PDS explain how investors can use the NTA calculation to determine the scheme's level of risk?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	[RG 46.111]
207. Does the PDS explain the risks that may arise as a result of the current NTA for the scheme? [RG 46.111]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
208. If the responsible entity does not base the NTA on the latest financial statements, does the PDS state:	<input type="checkbox"/> N/A		
(a) the source(s) of the information? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) the date of the information?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	[RG 46.113]

Question	Answer	Where?	Reference / Comment
209. If the responsible entity does not use the formula in Question 201 above, does the PDS state:	<input type="checkbox"/> N/A		
(a) the formula used? and	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
(b) the reasons why it has chosen a different method of calculation?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
[RG 46.114]			

Part E - Infrastructure entities

Do you need to complete Part E?

This section is only required to be completed if you are a responsible entity of an infrastructure entity. If you are not, please move on to Part F.

In January 2012, ASIC released guidance in respect of disclosure to retail investors in infrastructure entities. Below we have included questions relating to ASIC's 'benchmarks' and 'disclosure principles' which are set out in this guidance.

ASIC states that infrastructure entity is defined as a listed or unlisted registered managed investment scheme, company or stapled structure investment that has been offered to retail investors on the basis that its primary strategy or investment mandate is to invest in any of:

- (a) *the physical plant, property or equipment of infrastructure assets;*
- (b) *the right to operate infrastructure assets; or*
- (c) *other unlisted entities which, either directly or indirectly, primarily invest in the assets referred to in paragraph (a) or (b) above.*

ASIC states that infrastructure assets include roads, railways, ports, airports, telecommunications facilities, electricity generation, gas or electricity transmission or distribution, water supply or sewerage, and hospitals.

However, ASIC states that if an infrastructure entity that is also a property fund, the issuer is not also required to address the disclosure requirements of an unlisted property scheme (included in Part D - Unlisted property schemes).

Question	Answer	Where?	Reference / Comment
Corresponding disclosure in advertisements			
210. Are statements in the PDS consistent with all corresponding disclosures in an advertisement for the fund?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 231.28]			
Benchmarks and disclosure principles for infrastructure entities			
211. If an infrastructure entity does not have the information required to meet the benchmarks or disclosure principles, does the PDS disclose why it was not able to provide the information?	<input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note 1: ASIC states that meeting the benchmarks is not mandatory. They are merely used to establish a framework for disclosure of issues regarded as important.			

Question	Answer	Where?	Reference / Comment
<p>Note 2: ASIC states that whilst it recognises that in certain circumstances it may be difficult for certain infrastructure entities to disclose the information requested because it is not available to them, it expects infrastructure entities to use reasonable endeavours to obtain and provide such information to meet the obligations of the responsible entity or officers of a company to make investment decisions.</p> <p>Note 3: ASIC states that failing to meet one or more of the benchmarks (or failing to disclose certain information outlined in the disclosure principles) does not mean that a particular infrastructure entity is necessarily a poor investment but rather believes it is important for investors to know when an infrastructure entity does not meet a benchmark (or has not disclosed certain information) so that the investor can assess the potential impact of this information on their investment decision.</p>			
[RG 231.24]			

212. Has either:

- (a) the PDS been updated by a replacement or supplementary PDS so that it includes the benchmark and additional disclosure principle information? **or**
- (b) the benchmark and additional disclosure principles information included on a website referred to in the PDS (if the omission of information from the PDS is not materially adverse)?

- ☐ N/A ☐ PDS
- ☐ Yes ☐ IBR
- ☐ No
- ☐ N/A ☐ PDS
- ☐ Yes ☐ IBR
- ☐ No

Note: ASIC states that it considers that if the omission of the benchmark and additional disclosure principle information from an existing PDS is not materially adverse, the responsible entity will generally be able to rely on its class order to update the PDS for this information without the need for a supplementary or new PDS.

[RG 231.33]

[ASIC Corporations (Updated Product Disclosure Statements) Instrument 2016/1055]

Ongoing disclosure

213. Has the issuer updated investors at least annually on:

- (a) the status of its performance against:
- (i) the benchmarks? and

- ☐ Yes ☐ PDS
- ☐ IBR

Question	Answer	Where?	Reference / Comment
	<input type="checkbox"/> No		
(ii) the disclosure principles? and	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
(b) whether the information has been updated for any material changes since the last investor report?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		

[RG 231.36]

Form and method of disclosure in a PDS

214. Is the disclosure against the benchmarks in the form of a summary table within the first 15 pages of the PDS, referencing a separate section for each benchmark, and where this can be found? [RG 231.104]	<input type="checkbox"/> Yes		
	<input type="checkbox"/> No		
215. In the summary table included in the PDS, does it state whether or not the benchmark is met?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
216. If the benchmark is not met, does the summary table include an explanation as to why the benchmark is not met?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
217. Is the further information relating to disclosure against the benchmark (including the information outlined in the disclosure principles):	<input type="checkbox"/> N/A		
(a) clearly and prominently disclosed in the PDS, as close to the benchmark summary table as is practicable? and	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
(b) updated in ongoing disclosure, if required?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		

[RG 231.106]

Benchmark 1: Corporate structure and management

Benchmark 1: Corporate structure and management

The infrastructure entity's corporate governance policies and practices conform with the principles and recommendations in GN 9A.

[RG 231.38]

Question	Answer	Where?	Reference / Comment
Note 1: See www.asxgroup.com.au/asx-listing-rules-guidance-notes-and-waivers.htm for the full set of ASX Guidance Notes.			
Note 2: ASIC states that its intention is that this benchmark applies to both listed and unlisted infrastructure entities.			
218. If the benchmark is not met, does the PDS provide an explanation of which components of the corporate governance policies and practices do not conform with GN 9A? [RG 231.40]	<input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: ASX Listing Rules Guidance Note 9 Disclosure of Corporate Governance Practices is relevant to ASX's expectations regarding the corporate governance disclosures to be made by listed entities under Listing Rule 4.10.3 and its monitoring and enforcement processes under that rule. It also has guidance on the requirements in Listing Rules 12.7 and 12.8 for certain larger listed entities to have audit committees and remuneration committees. [ASX GN 9]			
Benchmark 2: Remuneration of management			
Benchmark 2: Remuneration of management <i>Incentive-based remuneration paid to management for the infrastructure entity is derived from the performance of the infrastructure entity and not the performance of other entities within its consolidated group, except where the infrastructure entity is the parent of the consolidated group.</i> [RG 231.41]			
219. If the incentive-based remuneration of management is derived from the performance of an entity other than the infrastructure entity (eg a parent or sponsor entity), does the PDS include:	<input type="checkbox"/> N/A		
(a) a statement that it does not meet this benchmark? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) a description of the remuneration arrangements?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: ASIC states that it believes it is important for investors to understand the extent to which the remuneration of management and board members is derived from the performance of the infrastructure entity to allow investors to form a view about how the incentives and rewards provided to management and the board might influence investment decisions.			
[RG 231.41]			
220. If the benchmark is not met, does the infrastructure entity explain how the	<input type="checkbox"/> N/A <input type="checkbox"/> IBR	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
incentive-based remuneration policy operates?	<input type="checkbox"/> Yes		
	<input type="checkbox"/> No		

[RG 231.43]

Benchmark 3: Classes of units and shares

Benchmark 3: Classes of units and shares

All units or shares are fully paid and have the same rights.

[RG 231.44]

Note: ASIC states that it is important for investors to understand whether units or shares acquired have been fully or partly paid.

221. If the units or shares have been partly paid, does the PDS disclose what obligations for further payment attach to those units or shares?	<input type="checkbox"/> N/A	<input type="checkbox"/> PDS
	<input type="checkbox"/> Yes	<input type="checkbox"/> IBR
	<input type="checkbox"/> No	

[RG 231.45]

222. If other investors have rights that vary from their own (eg priority rights), is this disclosed in the PDS?	<input type="checkbox"/> N/A	<input type="checkbox"/> PDS
	<input type="checkbox"/> Yes	<input type="checkbox"/> IBR
	<input type="checkbox"/> No	

[RG 231.45]

223. If the benchmark is not met, does the infrastructure entity:	<input type="checkbox"/> N/A	
(a) explain what proportion is paid? and/or	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS
		<input type="checkbox"/> IBR
	<input type="checkbox"/> No	
(b) on what basis the rights attached to the units or shares differ?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS
		<input type="checkbox"/> IBR
	<input type="checkbox"/> No	

[RG 231.46]

Benchmark 4: Substantial related party transactions

Benchmark 4: Substantial related party transactions

The infrastructure entity complies with ASX Listing Rule 10.1 for substantial related party transactions.

[RG 231.47]

224. If this benchmark is not met, does the PDS provide an explanation of on what	<input type="checkbox"/> N/A	<input type="checkbox"/> PDS
		<input type="checkbox"/> IBR

Question	Answer	Where?	Reference / Comment
basis it will enter into related party transactions?	<input type="checkbox"/> Yes		
	<input type="checkbox"/> No		
Note: ASIC states that it also expects all infrastructure entities to provide disclosure on certain types of related party transactions: see Disclosure Principle 3.			
[RG 231.49]			

Benchmark 5: Cash flow forecast

Benchmark 5: Cash flow forecast

The infrastructure entity has, for the current financial year, prepared and had approved by its directors:

- (a) a 12-month cash flow forecast for the infrastructure entity and has engaged an independent suitably qualified person or firm to provide, in accordance with the auditing standards:
 - (i) negative assurance on the reasonableness of the assumptions used in the forecast; and
 - (ii) positive assurance that the forecast is properly prepared on the basis of the assumptions and on a basis consistent with the accounting policies adopted by the entity; and
- (b) an internal unaudited cash flow forecast for the remaining life, or the right to operate (if less), for each new significant infrastructure asset acquired by the infrastructure entity.

[RG 231.51]

Note 1: ASX Listing Rule 10.1 states that an entity must ensure that neither it, nor any of its child entities, acquires a substantial asset from, or disposes of a substantial asset to, any of the following persons without the approval of holders of the entity's ordinary securities:

- (a) a related party;
- (b) a subsidiary;
- (c) a substantial holder, if the person and the person's associates have a relevant interest, or had a relevant interest at any time in the 6 months before the transaction, in at least 10% of the total votes attached to the voting securities;
- (d) an associate of a person referred to in paragraphs (a) to (c) above; and
- (e) a person whose relationship to the entity or a person referred to in paragraphs (a) to (d) above is such that, in ASX's opinion, the transaction should be approved by security holders.

Note 2: ASIC states that this benchmark applies to both listed and unlisted infrastructure entities.

Note 3: ASIC states that the cash flow forecast should be updated for any material changes to the assumptions in the forecast.

Note 4: ASIC defines 'significant infrastructure asset' as an 'infrastructure asset whose current value, or for an uncompleted development asset its anticipated completed value, is 15% or more of the total current value of the infrastructure entity's assets as set out in the latest financial accounts.

Question	Answer	Where?	Reference / Comment
225. If this benchmark is not met, does the PDS provide an explanation of what other measures have been taken to demonstrate its capacity to meet its commitments?	<input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

[RG 231.54]

Benchmark 6: Base-case financial model

Benchmark 6: Base-case financial model

Before any new material transaction, and at least once every three years, an assurance practitioner performs an agreed-upon procedures check on the infrastructure entity's base-case financial model that:

(c) *checks the mathematical accuracy of the model, including that:*

- (i) *the calculations and functions in the model are in all material respects arithmetically correct; and*
- (ii) *the model allows changes in assumptions, for defined sensitivities, to correctly flow through to the results; and*

(d) *includes no findings that would, in the infrastructure entity's opinion, be materially relevant to the infrastructure entity's investment decision.*

[RG 231.55]

Note 1: 'Agreed-upon procedures' includes the agreed-upon procedures as described in the Standard on Related Services ASRS 4400 Agreed-upon procedures engagements to report factual findings, issued by the AUASB.

Note 2: 'Assurance practitioner' means a person or an organisation, whether in public practice, industry, commerce or the public sector, involved in the provision of assurance services.

Note 3: ASIC states that it is important for investors to understand whether units or shares acquired have been fully or partly paid.

226. If this benchmark is not met, does the PDS provide an explanation as to:	<input type="checkbox"/> N/A	
(a) why the agreed-upon procedures check has not been performed? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
(b) how it is satisfied with the mathematical accuracy of the model? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
(c) how the forecast is properly prepared on the basis of the assumptions?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR

[RG 231.58]

Benchmark 7: Performance and forecast

Question	Answer	Where?	Reference / Comment
<p>Benchmark 7: Performance and forecast <i>For any operating asset developed by the infrastructure entity, or completed immediately before the infrastructure entity's ownership, the actual outcome for the first two years of operation equals or exceeds any original publicly disclosed forecasts used to justify the acquisition or development of that asset. [RG 231.59]</i></p>			
<p>Note: ASIC states that this benchmark should be addressed for the first two years of operation of each relevant operating asset and updated as part of the ongoing disclosure. ASIC also states that this benchmark should be addressed in any PDS between the first and third anniversary of completion of development of the asset.</p>			
227. If this benchmark is not met, has the PDS provided an explanation as to why the actual results are below the forecast (eg which assumptions were not met)?	<input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	[RG 231.61]
228. Are any material discrepancies between publicly disclosed forecasts and the actual performance for the first two years of operation disclosed under Disclosure Principle 7?	<input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	[RG 231.62]
<p>Benchmark 8: Distributions</p>			
<p>Benchmark 8: Distributions <i>If the infrastructure entity is a unit trust, it will not pay distributions from scheme borrowings.</i> [RG 231.63]</p>			
229. If this benchmark is not met, does the PDS provided an explanation as to how it will pay distributions?	<input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	<p>Note: ASIC states that this explanation should be made in accordance with RG 170 (Prospective financial information).</p> <p>[RG 231.66] [RG 170]</p>
<p>Benchmark 9: Updating the unit price</p>			
<p>Benchmark 9: Updating the unit price <i>If the infrastructure entity is unlisted and a unit trust, after finalising a new valuation for an infrastructure asset, the infrastructure entity reviews, and updates if appropriate, the unit price before issuing new units or redeeming units.</i> [RG 231.67]</p>			

Question	Answer	Where?	Reference / Comment
230. If the benchmark is not met, does the PDS provided an explanation as to how often the unit price is updated?	<input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

[RG 231.68]

Disclosure Principle 1: Key relationships
--

231. Does the PDS disclose (preferably through a diagram) the important relationships for the entity and any other related party arrangements relevant to an investor's investment decision, including:	<input type="checkbox"/> N/A	
(a) any controlling arrangements?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
(b) special voting rights?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
(c) director appointment rights? or	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
(d) other important relationships?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR

[RG 231.72]

232. For any significant infrastructure asset under development, does the PDS disclose (preferably through the use of a diagram):	<input type="checkbox"/> N/A	
(a) key relationships in the development, including with:	<input type="checkbox"/> N/A	
(i) any concessionaire?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
(ii) developer?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
(iii) builder?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
(iv) sponsor?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR

Question	Answer	Where?	Reference / Comment
	<input type="checkbox"/> No		
(v) promoter?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
(vi) asset manager?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
(vii) independent expert?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
(viii) financier?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
(ix) joint venture party?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
(x) issuer or manager? and	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
(b) key participants that bear material development-related risks, including for:	<input type="checkbox"/> N/A		
(i) timing and cost of delivery of the development?,	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
(ii) procurement and cost of financing for the development?? and	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
(iii) guaranteeing the performance of other entities?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		

[RG 231.72]

Disclosure Principle 2: Management and performance fees

233. Does the PDS provide disclosure of all fees and related costs:	<input type="checkbox"/> N/A		
(a) associated with the management of the entity's assets paid? or	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
(b) payable directly or indirectly out of the money invested in the entity?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
[RG 231.75]	<input type="checkbox"/> No		
234. Does the PDS disclose a clear justification for the fees?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: ASIC states that a registered managed investment scheme must ensure that it complies with the requirements for disclosure of fees and costs in Schedule 10 of the Corporations Regulations, and the fees section may be the appropriate location for addressing this disclosure principle.			
[RG 231.75]			
235. If performance fees are payable, does the PDS disclose how these fees will be paid?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: ASIC provides the following examples:			
(a) for mature operating infrastructure assets—explain if and how the performance fees will be paid, including whether these fees are payable only from operating cash flow; and			
(b) for operating infrastructure assets in a growth phase and development assets—explain how the performance fees will be paid, including whether these fees are funded by debt, capital, the issue of securities or otherwise, and the risks to members in paying performance fees in those ways.			
[RG 231.75]			
Disclosure Principle 3: Related party transactions			
236. Does the PDS provide disclosure of any related party arrangements relevant to the investment decision, including the following details:	<input type="checkbox"/> N/A		
(a) the value of the financial benefit and the consideration payable?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) the nature of the relationship (i.e. the identity of the related party, and the nature of the arrangements between parties, in addition to how the parties are related for the purposes of the Corporations Act or the ASX Listing Rules?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
Note: ASIC states that for group structures, the nature of these relationships should be disclosed for all group entities.			
(c) whether the arrangement is on arm's length terms?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(d) whether the remuneration is reasonable?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(e) whether some other Chapter 2E exception applies or ASIC has granted relief?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(f) whether member approval for the transaction has been sought and, if so, when (e.g. if member approval was obtained before the initial public offering (IPO) of securities in the entity)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(g) the risks associated with related party engagement?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(h) the policies and procedures that the infrastructure entity has in place for entering into related party transactions, including how compliance with these policies and procedures is monitored?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(i) for management agreements with related parties:	<input type="checkbox"/> N/A		
(i) the terms of the agreement?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) if a fee is payable by the infrastructure entity on termination of the agreement, the method of termination that will incur a fee and details on how that fee is calculated?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(iii) any exclusivity arrangements in the management agreement?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(iv) whether:	<input type="checkbox"/> N/A		

Question	Answer	Where?	Reference / Comment
(A) a copy of the agreement is available to investors? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(B) if so, how an investor can obtain a copy of the agreement?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(v) any other arrangements that have the potential or actual effect of entrenching the existing management (e.g. termination of current management agreement triggers the commencement of other management agreements or any other rights such as the rights to acquire the assets?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(j) for transactions with related parties involving a significant infrastructure asset:	<input type="checkbox"/> N/A		
(i) what steps the infrastructure entity took to evaluate the transaction? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) if not otherwise disclosed:	<input type="checkbox"/> N/A		
(A) a summary of any independent expert opinion obtained for the transaction? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(B) whether an investor can obtain a copy of the opinion?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(C) if an investor can obtain a copy of the opinion, how it can be obtained?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

[RG 231.77]

Note: ASIC states that it expects infrastructure entities to disclose information about existing related party transactions in disclosure documents except to the extent that:

- (a) such disclosure may confuse investors by dealing with inconsequential matters; or

Question	Answer	Where?	Reference / Comment
(b) <i>investors already have adequate information about the related party transactions as a result of past disclosures and it is not reasonable for the information to be repeated in full.</i>			
[RG 231.79]			
Disclosure Principle 4: Financial ratios			
237. If target financial ratios have been publicly disclosed, does the PDS include:	<input type="checkbox"/> N/A		
(a) a statement of the respective financial ratios actually achieved for the entity?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) a statement of how those target and actual ratios are calculated?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) an explanation of what the financial ratios mean in practical terms? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(d) an explanation of how investors can use the ratios to determine the entity's level of debt-related risk?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 231.80]			
Note: ASIC states that the liabilities, assets and earnings used to calculate the ratios should be based on the entity's latest audited or reviewed financial statements, or the latest valuations. If there have been material changes since the financial statements, the updated calculations should be provided as part of the infrastructure entity's ongoing disclosure obligations.			
[RG 231.81]			
Disclosure Principle 5: Capital expenditure and debt maturities			
238. Does the PDS state the planned capital expenditure of the infrastructure entity:	<input type="checkbox"/> N/A		
(a) for the next 12 months?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) and how this expenditure is to be funded (any material changes to this planned expenditure should be updated as part of the entity's ongoing disclosure obligations)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 231.84]			

Question	Answer	Where?	Reference / Comment
239. Does the PDS provide a breakdown of material debt maturities for the infrastructure entity, in the intervals set out in the table shown below, on a consolidated contractual basis, showing:	<input type="checkbox"/> N/A		
(a) the drawn amount?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) the undrawn amount?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) the total drawn and undrawn amount?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(d) the percentage of variable interest rate risk?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(e) the weighted average interest rate?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(f) the percentage of debt that is not limited recourse to a particular asset (i.e. 'ring fenced')? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(g) whether the debt is fully amortising or requires principal and interest payments?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

[RG 231.84]

Note: ASIC provides the following table:

Year	Drawn (\$000s)	Undrawn (\$000s)	Total (\$000s)	% of variable interest rate risk	Weighted average interest rate	% of debt that is not limited recourse to a particular asset ('ring fenced')	Fully amortising or principal and interest payments
Up to 1 Year							
Between 1 and 2 Years							
Between 2 and 5 years							
Total							

Question	Answer	Where?	Reference / Comment
[RG 231.86]			
Disclosure Principle 6: Foreign exchange and interest rate hedging			
240. Does the PDS state:	<input type="checkbox"/> N/A		
(a) any current foreign exchange for the entity? and	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
(b) interest rate hedging policy for the entity?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
[RG 231.87]			
241. Does the PDS state:	<input type="checkbox"/> N/A		
(a) whether the entity's foreign exchange exposure conforms with its foreign exchange policy? and/or	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
(b) whether the variable interest rate exposure conforms with its interest rate hedging policy?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
[RG 231.87]			
242. Does the PDS state any material variances between its actual position and these policies?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
[RG 231.88]			
Disclosure Principle 7: Base-case financial model			
243. For an acquisition of a significant infrastructure asset, does the PDS provide disclosure of the following details for its base-case financial model:	<input type="checkbox"/> N/A		
(a) the key assumptions and the source of those assumptions?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
(b) a confirmation by the directors as to whether or not they consider that the assumptions are reasonable?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
(c) any process the directors undertook to satisfy themselves that the assumptions were reasonable including if:	<input type="checkbox"/> N/A		
(i) an expert provided an opinion on the model? and	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
	<input type="checkbox"/> No		
(ii) if so, provide a summary of that expert opinion?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
(d) the agreed-upon procedures check that the assurance practitioner has performed to review the base-case financial model (as per Benchmark 6) and any findings which were materially relevant to the investment decision?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
(e) any conflicts of interest that may arise in either the expert opinion or the agreed-upon procedures check?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
[RG 231.89]			
244. Does the PDS include a table disclosing up to five key assumptions in the base-case financial model that are likely to have the most material impact:	<input type="checkbox"/> N/A		
(a) on the operating performance of the entity for at least the next 12 months?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
(b) in the case of a development asset, in the first year of operation, on	<input type="checkbox"/> N/A		
(i) the infrastructure entity?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
(ii) investor equity? and	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
(iii) any assumptions which were materially less favourable than anticipated (e.g. 25% less)?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
[RG 231.90]			
245. Does the PDS also include a statement of:	<input type="checkbox"/> N/A		
(a) a reasonable estimate of the operating capacity of the entity's significant infrastructure assets?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
(b) for any operating asset developed by the infrastructure entity or completed immediately before the infrastructure entity's ownership:	<input type="checkbox"/> N/A		

Question	Answer	Where?	Reference / Comment
(i) any material discrepancies between any publicly disclosed forecasts? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) the actual performance for the first two years of operation?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) any material discrepancies between the assumptions contained in the infrastructure entity's base-case financial model used to raise any debt and the model used to raise any equity, respectively, within six months of each other in the current financial year?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>Note: ASIC requires that if any of the above disclosures relate to prospective financial information, the disclosures should be consistent with ASIC's guidance in RG 170.</p> <p>[RG 231.91]</p>			
Disclosure Principle 8: Valuations			
246. Does the PDS provide disclosure details on the entity's valuation policy?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 231.95]			
247. Does the PDS state:	<input type="checkbox"/> N/A		
(a) whether valuations and supporting documentation are available to investors? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) if so, how they are made available?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 231.95]			
248. If valuations and supporting documentation are not available to investors, does the PDS provide a summary of the valuations (required for significant infrastructure assets only) containing, at a minimum, the following information:	<input type="checkbox"/> N/A		
(a) whether the valuation was prepared internally or externally?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) the date of the valuation?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
(c) the scope of the valuation and any limitations on the scope?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
(d) the purpose of the valuation?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
(e) the value assessed and key assumptions used to determine value?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
(f) the key risks specific to the infrastructure assets being valued?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
(g) the valuation methodology?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
(h) the period of any forecast and terminal value assumptions?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
(i) the discount rate and the basis for calculating this rate?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
(j) the income capital expenditure and capital growth rates over the forecast period?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
[RG 231.95]			
249. Does the PDS provide any circumstances that may result in a conflict of interest arising in the preparation of the valuations?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
[RG 231.95]			
Disclosure Principle 9: Distribution policy			
250. If the infrastructure entity is a unit trust, does the PDS include:	<input type="checkbox"/> N/A		
(a) the current distribution policy?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
(b) any rights that the entity has to change the policy?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
[RG 231.97]			

Question	Answer	Where?	Reference / Comment
251. In respect of payment distributions, if the infrastructure entity is a unit trust, does the PDS include the portion attributable to (for example):	<input type="checkbox"/> N/A		
(a) income?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
(b) capital?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
(c) debt?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
[RG 231.97]			

252. If the infrastructure entity is a unit trust, does the PDS risk disclosure state:	<input type="checkbox"/> N/A		
(a) the risks associated with distributions being paid from sources other than operating cash flow?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
(b) the sustainability of such distributions?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
[RG 231.97]			

Disclosure Principle 10: Withdrawal policy

253. Does the PDS for an unlisted trust disclose:			
(a) whether there is a right of withdrawal? and	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
(b) if so, the minimum period allowed for satisfying withdrawal requests under the construction of the infrastructure entity?	<input type="checkbox"/> N/A	<input type="checkbox"/> PDS	
	<input type="checkbox"/> Yes	<input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
[RG 231.99]			

254. Does the PDS for an unlisted trust disclose:			
(a) the withdrawal policy?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		

Question	Answer	Where?	Reference / Comment
(b) any rights that the infrastructure entity has to change the policy?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 231.99]			
255. Does the PDS for an unlisted trust state:	<input type="checkbox"/> N/A		
(a) any significant risk factors or limitations that may impact on the ability of investors to withdraw from the infrastructure entity?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) how investors can exercise their withdrawal rights, including any conditions on exercise?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) if withdrawal from the infrastructure entity may be funded from an external liquidity facility, the material terms of this facility including any rights the provider has to suspend or cancel the facility?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(d) how investors will be notified of any material changes to withdrawal rights and the withdrawal policy (e.g. if withdrawal rights are to be suspended)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(e) whether the amount of capital in the infrastructure entity has been reduced by more than 10% in the last three months (this information can be updated via website disclosure)? [RG 231.99]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Disclosure Principle 11: Portfolio diversification			
256. Does the PDS disclose:			
(a) whether the infrastructure entity has a portfolio diversification policy? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) if so, details of that policy (e.g. any criteria addressing investment size, asset and investment type, location, and political, operating and financing risk)?	<input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 231.101]			

Question	Answer	Where?	Reference / Comment
257. Does the PDS include details of the infrastructure entity's actual portfolio diversification position compared to its portfolio diversification policy?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 231.101]			
258. If there is a material variance between the infrastructure entity's diversification policy and its actual position, does the PDS include an explanation of why the variance exists and the measures being taken to rectify it?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 231.101]			
Note: ASIC states that it believes it is necessary for investors to be aware of any concentration risk associated with the entity's investment policy, even if there is diversification in other ways (e.g. by location)			
[RG 231.103]			

Part F - Hedge Fund Disclosure

Do you need to complete Part F?

This section is only required to be completed if you are a responsible entity of a hedge fund. If you are not, please move on to Part G.

In September 2012 (updated in October 2013), ASIC provided guidance relating to improving disclosure for 'hedge funds'. Below we have included questions relating to ASIC's 'benchmarks' and 'disclosure principles' which are set out in this guidance.

For the purposes of this guidance, ASIC states that the definition of 'hedge fund' closely follows the approach taken in Class Order [CO 12/749].

Class Order [CO 12/749] defines a 'hedge fund' as a registered managed investment scheme that (in summary):

- (a) is promoted by the responsible entity using the expression and as being a 'hedge fund'; or*
- (b) exhibits two or more of the following characteristics of a hedge fund:*
 - (i) use of investment strategies intended to generate returns with low correlation (including no correlation) to certain published indexes or any combination of them; or*
 - (ii) has a complex investment structure that invests through three or more vertically interposed entities (or two or more if at least one is offshore) where the responsible entity of the scheme or an associate has the capacity to control the disposal of the products of two or more of the interposed entities; and*
 - (iii) use of leverage to increase returns;*
 - (iv) use of derivatives for speculative purposes;*
 - (v) use of short selling;*
 - (vi) performance fees (if stated intention to charge).*

ASIC also states that a fund investing 35% or more in one or more hedge funds should also disclose against the benchmarks in respect of its whole portfolio (i.e a 'fund of a hedge fund').

Class Order [CO 12/749] also exempts hedge funds that are simple managed investment schemes from the requirement to prepare shorter PDS. This exemption continues to be on a temporary basis until 30 June 2022, pending further work by the Government on the appropriate long-term treatment of hedge funds and other such products.

[RG 240.1-15] [7.9.11S (6)(7) as amended by **CO 12/749]**

Question	Answer	Where?	Reference / Comment
Benchmarks and disclosure principles for hedge funds			
259. Is the PDS worded in a clear, concise and effective manner?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	<p>Note: ASIC states that this means that the PDS should include clear and prominent disclosure of the key features and risks of the investment. For hedge funds, ASIC states that this includes the benchmark and disclosure principle information.</p> <p>[RG 240.110]</p>
260. If the benchmark information and disclosure principle information is too lengthy to be included in full, does the PDS provide a summary of the information with a clear cross-reference to more detailed disclosure?	<input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	<p>[RG 240.112]</p>
261. Does the PDS include:			
(a) disclosure of these benchmarks (contained in questions 265 to 268) and whether the responsible entity meets these benchmarks? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) in circumstances where there is non-compliance with these benchmarks, disclosure of the extent of non-compliance and the reason for non-compliance?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	<p>[RG 240.39, RG 240.40]</p>
262. For PDSs issued before 1 February 2014 is the benchmark disclosure information:	<input type="checkbox"/> N/A		
(a) included on a website referred to in the PDS (if omission from the PDS itself is not materially adverse)? or	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) included in updated disclosure?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	<p>[RG 240.50]</p>
263. For PDSs issued after 1 February 2014, is the benchmark disclosure information addressed in the PDS itself, and not just in updated disclosure?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	<p>[RG 240.44]</p>

Question	Answer	Where?	Reference / Comment
264. Does the PDS include:			
(a) a summary of the information identified in the benchmarks and disclosure principles in the first few pages of the PDS? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) cross-references to where further information can be found in the PDS?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

[RG 240.45, RG 240.111]

Benchmark 1: Valuation of assets

Benchmark 1: Valuation of assets

The responsible entity has and implements a policy that requires valuations of the hedge fund's assets that are not exchange traded to be provided by an independent administrator or an independent valuation service provider.

[RG 240.51]

265. In meeting this benchmark, if the responsible entity elects not to use independent service providers to perform the required valuations, does the PDS state:	<input type="checkbox"/> N/A		
(a) that this is so? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) why?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 240.52, RG 240.55 (see also RG 94.4.6 and 5.1)]			
266. If the fund is a fund of hedge funds, does the PDS disclose the fund's policy on the use of independent fund administrators or valuation service providers by managers of underlying funds?	<input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 240.52, RG 240.55 (see also RG 94.4.6 and RG 94.5.1)]			
267. If the benchmark has not been met, does the PDS:	<input type="checkbox"/> N/A		
(a) explain why it has not been met? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) state how the responsible entity addresses the risks of:			
(i) the lack of independence in valuations? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
(ii) related party conflicts of interest in connection with valuations?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

[RG 240.53]

Benchmark 2: Periodic reporting

Benchmark 2: Periodic reporting

The responsible entity has and implements a policy to provide periodic reports on certain key information, as set out in Table 4.

[RG 240.56, RG 240.60]

Note 1: Table 4 in RG 240.56 requires the responsible entity to have a policy to report on the following information as soon as practicable after any periodic statement required by s 1017D (ie annual report), but in any event, no later than six months after the end of the relevant period:

- (a) the actual allocation to each asset type;
- (b) the liquidity profile of the portfolio assets as at the end of the period;

ASIC states that a report on the liquidity profile of an asset should be in a graphical form or other form that allows easy comparison with the maturity profile of the liabilities.

- (c) the maturity profile of the liabilities as at the end of the period;

ASIC states that a report on the maturity profile of the liabilities should be in a graphical form that allows easy comparison with the liquidity profile of the portfolio assets.

- (d) the leverage ratio (including leverage embedded in the assets of the fund, other than listed equities and bonds) as at the end of the period;
- (e) the derivative counterparties engaged (including capital protection providers);
- (f) if the hedge fund has been operating for five years, the monthly or annual investment returns over at least a five-year period;
- (g) if the hedge fund has not been operating for five years, the returns since its inception; and
- (h) if they have changed since the last report given to investors, the key service providers, including any change in their related party status.

Note 2: ASIC states that the information required by this benchmark is in addition to any other information required for periodic disclosure under the Corporations Act.

Note 3: Table 4 in RG 240.56 also sets out that if the responsible entity produces information on an ongoing basis, the latest report addressing the matters referred to in the benchmark should be available on the hedge fund's website.

Note 4: Table 4 in RG 240.56 also sets out that the responsible entity must produce the following information on a monthly basis or, if less often, at least on each date investors have the right to redeem their investments and in reasonable time to allow investors to consider that information in making a decision whether to redeem their investment:

Question	Answer	Where?	Reference / Comment
(a) the current total net asset value of the fund and the redemption value of a unit in each class of units, as at the date the net asset value was calculated;			
Note: ASIC states that if the method of calculating net asset value is not disclosed with the monthly update, investors should be advised where that method is explained and how to access that information.			
(b) if they have changed since the last report given to investors, the key service providers, including any change in their related party status;			
(c) the net return on the fund's assets after fees, costs and taxes;			
(d) any material change in the fund's risk profile;			
(e) any material change in the fund's strategy; and			
(f) any change in the individuals playing a key role in investment decisions for the fund.			
Note 5: ASIC states that if the fund is a fund of hedge funds, the responsible entity should disclose against this benchmark in relation to any significant underlying fund, in addition to disclosing in relation to the fund of hedge funds.			
Note 6: ASIC states that if returns paid to investors over the reporting period are funded other than from investment returns from the fund's assets, this should be clearly stated together with the resulting impact on the redemption value on a per-unit basis for each class of units in the fund.			

[RG 240.56, RG 240.58, RG 240.60]

268. If responsible entity does not meet the periodic reporting benchmark, does the PDS:	<input type="checkbox"/> N/A		
(a) explain why it has not been met? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) state the responsible entity's policy on what information will be provided, how, and when?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

[RG 240.59]

Disclosure principle 1: Investment strategy

269. Does the PDS provide a description of the fund's investment strategy, including:			
(a) the typical asset classes to be invested in?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) the typical :			
(i) location? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) currency denomination of the assets?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) the role of :			

Question	Answer	Where?	Reference / Comment
(i) leverage? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) derivatives? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(iii) short selling?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: ASIC states that, for fund of hedge funds, the typical location and currency denomination need not be disclosed in addition to the disclosures set out in RG 240.73. [RG 240.61(a), (See Disclosure Principle 6, Disclosure Principle 7 and Disclosure Principle 8), RG 240.63]			
270. If the fund is a fund of hedge funds, does the PDS disclose the matters set out in question 269 as though the reference to 'asset' reads 'underlying fund'?	<input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 240.63]			
271. Does the PDS include an explanation of how the fund's investment strategy will produce investment returns?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 240.61(b)]			
272. Does the PDS include a description of any key dependencies or assumptions underpinning the strategy's ability to produce investment returns?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: ASIC states that this may include market conditions or interest rates. [RG 240.61(c)]			
273. Does the PDS include a description of what the fund's diversification guidelines or limits are?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 240.61(d)]			
274. Does the PDS disclose any specific risks associated with the relevant investment strategy?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 240.61(e)]			
275. Does the PDS disclose key aspects of the fund's risk management strategy?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 240.61(f)]			
276. Does the PDS include a statement:			

Question	Answer	Where?	Reference / Comment
(a) regarding whether the investment strategy may change?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) if so, how? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) what notification would be provided to investors in such an event?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 240.61(g)]			

277. If the fund is a fund of hedge funds, does the PDS disclose:

- | | | |
|--|---|--|
| (a) the strategy for selecting which underlying funds they will invest in? | <input type="checkbox"/> Yes
<input type="checkbox"/> No | <input type="checkbox"/> PDS
<input type="checkbox"/> IBR |
| (b) their due diligence process in the selection of underlying funds? and | <input type="checkbox"/> Yes
<input type="checkbox"/> No | <input type="checkbox"/> PDS
<input type="checkbox"/> IBR |
| (c) for each investment in an underlying fund that exceeds 10% of the hedge fund's assets, why that particular fund was selected and how it fits with the investment strategy? | <input type="checkbox"/> Yes
<input type="checkbox"/> No | <input type="checkbox"/> PDS
<input type="checkbox"/> IBR |

[RG 240.64]

Disclosure principle 2: Investment manager

278. In relation to an investment manager appointed by the responsible entity of the hedge fund, does the PDS state:

- | | | |
|---|---|--|
| (a) the identity of the investment manager? and | <input type="checkbox"/> Yes
<input type="checkbox"/> No | <input type="checkbox"/> PDS
<input type="checkbox"/> IBR |
| (b) information on any relevant significant adverse regulatory findings against the investment manager? | <input type="checkbox"/> Yes
<input type="checkbox"/> No | <input type="checkbox"/> PDS
<input type="checkbox"/> IBR |

[RG 240.65(a)]

279. In relation to any individual playing a key role in investment decisions, does the PDS state:

- | | | |
|---|---|--|
| (a) the identity of the individual? | <input type="checkbox"/> Yes
<input type="checkbox"/> No | <input type="checkbox"/> PDS
<input type="checkbox"/> IBR |
| (b) information on any relevant significant adverse regulatory findings against the individual? and | <input type="checkbox"/> Yes
<input type="checkbox"/> No | <input type="checkbox"/> PDS
<input type="checkbox"/> IBR |

Question	Answer	Where?	Reference / Comment
(c) the proportion of their time the individual will devote to executing the fund's investment strategy? Note: ASIC states that the PDS should relate the experience and qualifications of individuals playing a key role in investment decisions to the fund's strategy.	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 240.65(b), RG 240.67]			
280. If any of the fund's assets are not managed by the responsible entity, does the PDS state in relation to those assets:	<input type="checkbox"/> N/A		
(a) any unusual and materially onerous (from an investor's perspective) terms in the agreement or other arrangement under which any investment manager is appointed? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) the scope of the appointment?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: ASIC states that if the fund's assets are managed by the responsible entity the PDS should state any unusual and materially onerous provisions of the scheme's constitution.			
[RG 240.65(c)]			
281. In relation to the power of the responsible entity to terminate an investment manager's appointment, does the PDS state:			
(a) the circumstances in which the responsible entity is entitled to terminate the investment manager's appointment? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) on what terms the investment manager's appointment may be terminated (including any payments)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 240.65(d)]			
282. If the fund is a fund of hedge funds, does the PDS disclose against this disclosure principle in relation to any significant underlying fund, in addition to disclosing in relation to the fund of hedge funds?	<input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 240.68]			

Question	Answer	Where?	Reference / Comment
Disclosure principle 3: Fund structure			
283. In relation to the investment structure of the fund, does the PDS state:			
(a) the key entities involved?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
(b) the relationship of key entities with each other?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
(c) the roles of any key entities? and	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
(d) a diagram showing the flow of investment money through the structure?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
[RG 240.69(a)]			
284. Does the PDS state the identities of key service providers and intermediaries and the scope of their services?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
[RG 240.69(b)]			
285. Does the PDS state how the responsible entity ensures that its key service providers will comply with their service agreement obligations?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
Note: ASIC states that, for fund of hedge funds, this disclosure will usually only be required for the fund of hedge funds, not for the underlying funds.			
[RG 240.69(c), RG 240.72]			
286. Does the PDS disclose any related party relationships within the structure, including:			
(a) between the responsible entity and the investment managers?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
(b) between the responsible entity or investment managers and any underlying funds?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
(c) counterparties?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		

Question	Answer	Where?	Reference / Comment
(d) key service providers (including executing brokers) to the fund?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 240.69(d)]			
287. Does the PDS disclose the existence and nature of material arrangements in connection with the hedge fund that are not on arm's length terms?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: ASIC states that, for fund of hedge funds, this disclosure should only be made for the fund of hedge funds, not for the underlying funds.			
[RG 240.69(e), RG 240.72]			
288. If the fund is a fund of hedge funds, does the PDS disclose the due diligence process performed on underlying funds and their key service providers?	<input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 240.69(f)]			
289. Does the PDS include a reasonable estimate of the aggregate amount of any fees and costs that would be disclosed by all underlying funds (that are not listed entities or corporations that are not investment companies) as if each of those entities were a registered scheme in accordance with Schedule 10 of the Corporations Regulations 2001?	<input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note 1 ASIC states that the estimate should exclude double counting to the extent that management costs include management costs of the hedge fund.			
[RG 240.69(g)]			
290. Does the PDS state the jurisdictions involved in the fund's structure?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 240.69(h)]			
291. Does the PDS state the risks of the structure, including:			
(a) any risks associated with holding assets overseas; or	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) if the fund is a fund of hedge funds, any risks associated with investing in underlying funds overseas?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
[RG 240.69(i)]			
Disclosure principle 4: Valuation, location and custody of assets			
292. If the fund is not a fund of hedge funds, does the PDS disclose:	<input type="checkbox"/> N/A		
(a) the key aspects of the responsible entity's valuation policy?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) the allocation range for each of the following asset types (where relevant):			
(i) Australian listed equities?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) Australian unlisted equities?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(iii) international listed equities?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(iv) international unlisted equities?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(v) Australian government bonds?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(vi) Australian corporate bonds?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(vii) international government bonds?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(viii) international corporate bonds?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ix) structured products?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(x) real property?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(xi) infrastructure?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(xii) exchange-traded derivatives?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(xiii) over-the-counter derivatives?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(xiv) cash equivalent investments? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
(xv) any other form of asset type?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) any policies about the geographic location of assets?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(d) the geographic location of any material asset?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(e) custodial arrangements, including:			
(i) details of the role performed by custodians? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) where assets are not held by a third party custodian, the types and proportion of these assets relative to the fund's net asset value?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: ASIC states that the PDS only has to disclose the allocation range for the asset types in which the fund does, or may, actually invest.			
[RG 240.73, RG 240.75]			
293. If the fund is a fund of hedge funds rather than those matters set out above relating to RG 240.73, does the PDS disclose:	<input type="checkbox"/> N/A		
(a) its valuation policy?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) the types of underlying funds (including their strategies)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) the allocation ranges?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(d) policies on underlying funds with regards to:			
(i) geographic location?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) managers?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(iii) the geographic focus of their investing?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
	<input type="checkbox"/> No		
(e) the custodial arrangements for the fund of hedge fund's assets?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
(f) the roles of custody providers? and	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		
(g) any policies to be applied in relation to the custodial arrangements of underlying funds?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
	<input type="checkbox"/> No		

[RG 240.77]

Disclosure principle 5: Liquidity

294. If the responsible entity cannot reasonably expect to realise at least 80% of the fund's assets for the value ascribed to those assets when calculating the fund's net asset value within 10 days, does the PDS include:
- (a) a description of any asset class that has a value greater than 10% of the fund's net asset value and cannot reasonably be expected to be realised at the value ascribed to that asset in calculating the fund's most recent net asset value? and
- (b) the key aspects of the liquidity management policy?

Note 1: ASIC states that a hedge fund is liquid if it invests at least 80% of its assets, at the value ascribed to those assets in calculating the fund's net asset value, within 10 days.

Note 2: ASIC states that where 'stressed market conditions' exist, comprehensive disclosure about liquidity becomes even more important.

[RG 240.78, RG 240.79]

295. If the fund is a fund of hedge funds, does the PDS:
- (a) describe the fund's investment policy in relation to the liquidity of the underlying funds?

Question	Answer	Where?	Reference / Comment
(b) explain any risks posed to the fund of hedge fund's liquidity by the nature of these investments? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) explain how the risks referred to in (b) above will be managed?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

[RG 240.80]

Disclosure principle 6: Leverage

296. Does the PDS disclose the circumstances in which the hedge fund may use leverage and any restrictions on its use of leverage?

☐ Yes
☐ No

[RG 240.81(a)]

297. Does the PDS disclose the sources of the fund's leverage, including:

- (a) the type of leverage?
- ☐ Yes ☐ PDS
☐ IBR
☐ No
- (b) the amount of leverage? and
- ☐ Yes ☐ PDS
☐ IBR
☐ No
- (c) the providers of leverage?
- ☐ Yes ☐ PDS
☐ IBR
☐ No

[RG 240.81(b)]

Note 1: ASIC states that leverage should be disclosed as a gross figure (total long positions plus total short positions) even if net leverage (total long positions minus total short positions) is also disclosed.

[RG 240.83]

Note 2: ASIC states that the anticipated level of leverage can be disclosed as a range, however the range should be a good faith estimate and as small as reasonably possible given the fund's strategy and any relevant investment history, so as to be meaningful to investors.

[RG 240.86]

Note 3: ASIC states that a PDS need only disclose a reasonable estimate of leverage embedded in the underlying funds, except for any significant underlying funds, in which case the PDS should disclose the anticipated level of leverage.

[RG 240.87]

298. Does the PDS disclose:

Question	Answer	Where?	Reference / Comment
(a) whether any assets are used as collateral? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) the extent to which assets are otherwise encumbered or exposed to set-off rights or other legitimate claims by third parties in the event of the insolvency of the responsible entity, a service or credit provider, or a counterparty?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 240.81(c)]			
299. Does the PDS disclose the maximum anticipated and allowed level of leverage (including leverage embedded in the assets of the fund other than leverage embedded in holdings of listed equities and bonds) as a multiple of the net asset value of an investor's capital in the fund?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>Note 1: ASIC states that the maximum anticipated or allowed level of leverage may be disclosed alongside the anticipated or typical level of leverage.</p> <p>Note 2: ASIC acknowledges that a leverage ratio is only one method to measure exposure and other methods are often used (eg value at risk).</p> <p>Note 3: ASIC states that responsible entities should consider including additional measures of market and risk exposure where relevant and capable of being explained in a clear, concise and effective manner.</p>			
[RG 240.81(d), RG 240.84]			
300. Does the PDS disclose a worked example showing the impact of leverage on investment returns and losses, assuming the maximum anticipated level of leverage (including leverage embedded in the assets of the fund, other than leverage embedded in holdings of listed equities and bonds)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 240.81(e)]			
301. Does the PDS disclose :			
(a) the name of the actual provider of the leverage? or	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) the class or type of leverage provider?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
<p>Note: ASIC states that the class or type of leverage provider includes whether the provider is prudentially regulated, a local branch of a global investment bank or an unrated related party.</p> <p>[RG 240.85]</p>	<input type="checkbox"/> No		
302. If the fund is a fund of hedge funds, does the PDS disclose:	<input type="checkbox"/> N/A		
(a) the fund's investment policy in relation to acceptable types of derivatives used by underlying funds? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) any limits on leverage the fund of hedge funds will set (for each fund across its portfolio)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 240.87]			
Disclosure principle 7: Derivatives			
<p>Note: ASIC states that a hedge fund that uses derivatives, but not to the extent necessary to trigger the derivatives characteristic set out in Table 1 of RG 240, should nevertheless disclose against this principle in relation to its use of derivatives.</p> <p>[RG 240.91]</p>	<input type="checkbox"/> N/A		
303. Does the PDS state the purpose and rationale for the use of derivatives, including how they form part of the hedge fund's investment strategy?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 240.88(a)]			
304. Does the PDS describe the types of derivative used or planned to be used?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 240.88(b)]			
305. Does the PDS describe the criteria for engaging derivative counterparties (including principal protection providers)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 240.88(c)]			
306. Does the PDS describe the key risks to the hedge fund associated with the collateral requirements of the derivative counterparties?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 240.88(d)]			

Question	Answer	Where?	Reference / Comment
307. Does the PDS state whether the derivatives are OTC or exchange traded? [RG 240.88(e)]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
308. If the fund is a fund of hedge funds, does the PDS describe:	<input type="checkbox"/> N/A		
(a) its investment policy in relation to approved types of derivatives used by underlying funds? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) any limits on exposure to derivatives the fund of hedge funds will set (for each fund or across its portfolio)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 240.90]			
Disclosure principle 8: Short selling			
309. If the fund intends or is likely to engage in short selling, does the PDS state:	<input type="checkbox"/> N/A		
(a) the purpose and rationale for short selling, including how short selling forms part of the hedge fund's investment strategy?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) the risks associated with short selling? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: ASIC recommends that the risks associated with short selling be highlighted in an example showing the potential gains and losses from short selling.			
(c) how these risks will be managed?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 240.92, RG 240.93]			
310. Does the PDS state the fund's investment policy on investing in underlying funds that may engage in short selling? [RG 240.94]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
311. Does the PDS state the level of short selling permitted (if any):	<input type="checkbox"/> N/A		
(a) in each underlying fund? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) across its portfolio?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 240.94]			

Question	Answer	Where?	Reference / Comment
312. If the fund is a fund of hedge funds investing in underlying funds that may sell short, does the PDS provide a statement explaining the risks of short selling?	<input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 240.94]			
Disclosure principle 9: Withdrawals			
Note: ASIC states that responsible entities of funds of hedge funds with investments in underlying funds, managed accounts or structured products need not disclose the information required for this disclosure principle (ie Disclosure Principle 9: Withdrawals) for those underlying investments.	<input type="checkbox"/> N/A		
[RG 240.97]			
313. Does the PDS state any significant risk factors that may affect the ability of investors to withdraw from the hedge fund?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 240.95(a)]			
314. Does the PDS state any significant risk limitations that may affect the ability of investors to withdraw from the hedge fund?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: ASIC states that this may include any gating restrictions that may be imposed or the requirement for withdrawal only to be acted on under a statutory withdrawal offer if the hedge fund is not a liquid scheme as defined in the Corporations Act.			
[RG 240.95(a)]			
315. Does the PDS state how investors can exercise their withdrawal rights, including any conditions on exercise?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 240.95(b)]			
316. If withdrawal is to be funded from an external liquid facility, does the PDS state the material terms of the facility, including any rights the external liquid facility provider has to suspend or cancel the facility?	<input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 240.95(c)]			
317. Does the PDS state how investors will be notified of any material changes to their withdrawal rights?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 240.95(d)]			

Part G - PDS requirements for schemes to be listed on the ASX

Do you need to complete Part G?

This section is only required to be completed if the scheme is being listed on the ASX. If this is not the case, please move on to Part H.

Questions	Answer	Where?	Reference / Comment
PDS Requirements			
318. Has a statement been provided which discloses the extent to which the entity will follow, as at the date of its admission to the official list, the recommendations set by the ASX Corporate Governance Council?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	<p>[ASX Listing Rule 1.1 Condition 13]</p> <p>Note: If the entity does not intend to follow all the recommendations on its admission to the official list, the entity must separately identify each recommendation and what alternative governance practices it intends to adopt in lieu of the recommendations.</p>
319. If the PDS does not contain a statement that the entity has enough working capital to carry out its stated objectives, has the entity given the ASX one from an independent expert?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	<p>Note: ASX notes that the entity's working capital must be at least \$1.5 million, or if it is not, it would be at least \$1.5million if the entity's budgeted revenue for the first full financial year that ends after listing was included in the working capital.</p> <p>[ASX Listing Rule 1.3.3]</p>
320. Has a PDS been lodged, or will the PDS be lodged, with ASIC, or if ASX agrees, an information memorandum instead of a PDS?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	<p>[ASX Listing Rule 1.1 Condition 3]</p>
321. Has a summary of the material terms of the management agreement been included in the PDS?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	<p>[ASX GN 26 8.1]</p>

Questions	Answer	Where?	Reference / Comment
322. Does the PDS include a summary of material contracts, including the scheme's constitution and any other firm establishment document?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[ME suggestion]			

Part H - Related party transactions

Do you need to complete Part H?

This section is only required to be completed for a scheme involving transactions with related parties.

Questions	Answer	Where?	Reference / Comment
Related party transactions generally			
<p>Note: ASIC expects entities to disclose information about existing related party transactions in disclosure documents except to the extent that:</p> <ul style="list-style-type: none"> such disclosure may confuse investors by dealing with inconsequential matters; or investors already have adequate information about the related party transactions as a result of past disclosures so it is not reasonable for the information to be repeated in full. <p>[RG 76.146]</p>			
323. Does the disclosure document describe any related party arrangements that are relevant to the investment decision to be made in the offer?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 76.146]			
324. For any related party transaction, does the disclosure document describe:	<input type="checkbox"/> N/A		
(a) the value of the financial benefit ?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) the nature of the relationship?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>Note: ASIC states that this should include a description of the identity of the related party and the nature of the arrangements between the parties, in addition to how the parties are related for the purposes of the Corporations Act or ASX Listing Rule. For group structures ASIC expects the nature of these relationships should be disclosed for all group entities.</p>			
(c) whether the arrangement is:			
(i) on arm's length terms? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) reasonable remuneration?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(d) whether an exception under Ch 2E or ASIC relief applies?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Questions	Answer	Where?	Reference / Comment
(e) whether member approval for the transaction has been sought and, if so, when?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(f) the risks associated with the related party arrangement? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(g) the policies and procedures that the entity has in place for entering into related party transactions, including how compliance with these policies and procedures is monitored?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

[RG 76.148]

Part I - Unitisation and Unit Pricing

Question	Answer	Where?	Reference / Comment
Unit pricing			
325. If the product is unitised, does the PDS include information about (if appropriate):			
(a) how scheme assets and liabilities are valued and the frequency of valuation?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 94, page 81]			
(b) whether income entitlements are included in asset values to calculate unit price?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 94, page 81]			
(c) how fees and taxation amounts are included in the unit price, particularly for products with complex structures?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 94, page 82]			
(d) details of other fees relating to the acquisition and disposal of units?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 94, page 82]			
(e) how the unit price is calculated and the frequency of calculation?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 94, page 82]			
(f) the method of calculating the costs of acquiring or disposing of underlying investment and the effect of these transactions costs on unit price?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 94, page 82]			
(g) the types of cost (such as brokerage) included in the transaction?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 94, page 82]			
(h) whether the price may be changed or transactions suspended where historic pricing is used?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 94, page 82]			

Question	Answer	Where?	Reference / Comment
(i) other circumstances in which unit pricing might be suspended? [RG 94, page 82]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(j) the purpose of and the procedures relating to any reserves? [RG 94, page 82]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
326. Does the PDS explain unit pricing? [FSC Standard 8.00 para 9.1]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
327. If interests in the scheme are issued in relation to a distribution reinvestment plan, does the PDS include information about the reinvestment methodology and the point in time on which the unit price is based? [FSC Standard 8.00 para 10.9.1]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Asset valuation			
328. If the responsible entity relies on ASIC relief regarding the constitutional requirement to adequately provide for the consideration that is to be paid to acquire an interest in the scheme, does the PDS include a statement to the effect that copies of the documented policies relating to the exercise of discretion regarding the calculation of unit prices available from the responsible entity at no charge? [1013D(2B) notionally inserted by ASIC Instrument 2015/847, and 1013DAA notionally inserted by CO 13/657]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Scheme assets and liabilities			
329. Does the PDS include a summary of the basis by which scheme assets and liabilities are valued and the net asset value of the scheme is determined? [FSC Standard 9.00 para 10.2]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
330. If the net asset value of the scheme is not determined by reference to market values, does the PDS provide for an alternative method of determination? [FSC Standard 9.00 para 11.3]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Part J - Fees and costs

Question	Answer	Where?	Reference / Comment
Costs			
331. Does the PDS include information about:			
(a) the cost of the product? [1013D(1)(d)(i)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) any amounts that will or may be payable by a holder of the product in respect of the product after its acquisition? [1013D(1)(d)(ii)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: <i>An amount will or may be payable in respect of a product by the holder of the financial product if:</i>			
(a) <i>the holder will or may have to pay an amount in respect of the product; or</i>			
(b) <i>an amount will or may be deducted from:</i>			
(i) <i>a payment to be made by the holder; or</i>			
(ii) <i>a payment to be made to the holder; or</i>			
(iii) <i>an amount held on the holder's behalf under the financial product; or</i>			
(c) <i>an account representing the holder's interest in the financial product will or may be debited with an amount.</i>			
<i>It includes an amount that the holder will or may have to pay, or that will or may be deducted or debited, as a fee, expense or charge in relation to a particular transaction in relation to the financial product.</i> [1013D(2)]			
(c) the times at which those amounts will or may be payable? [1013D(1)(d)(ii)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: <i>Additional requirements apply if there is a common fund [1013D(1)(d)(iii)]</i>			
(d) if the amounts paid in respect of the product and the amounts paid in respect of other financial products are paid into a common fund, the amounts that will or may be deducted from the fund by way of fees, expenses or charges? [1013D(1)(d)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(e) what the fees and charges are? [RG 168.85]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
(f) who the fees are paid to?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
[RG 168.85]	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
(g) what the fees are paid for?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
[RG 168.85]	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
(h) how and when the fees are paid?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
[RG 168.85]	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
(i) how the fees impact on returns?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
[RG 168.85]	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
(j) whether:	<input type="checkbox"/> N/A		
(i) fees are variable? and	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
(ii) if so, including through negotiation or the impact of rebates or discounts:	<input type="checkbox"/> N/A		
(A) how they vary? and	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
(B) when they vary?	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
[RG 168.85]	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
33. Are the costs, fees and any other amounts payable by the holder of the product referred to in question 331 stated as an amount in dollars (numeric PDS information)?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
[1013D(1)(m)] (as modified by 7.9.15A)]	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
<p>Note 1: RG 182 provides that an 'amount in dollars' means a single dollar amount expressed either in digits or words. [RG182.19] The maximum amount can be quoted even if it may be reduced in some circumstances. [RG182.20] Where the amount is nil, ASIC will accept 'nil', 'zero', '0' or 'not applicable' (if it is not misleading to use that expression). [RG 182.22]</p> <p>Note 2: An issuer does not have to comply with paragraph 1013D(1)(m) to the extent that the provision require an amount that is denominated in a foreign currency to be stated as an amount in Australian currency in a PDS. [ASIC Corporations (Disclosure in Dollar) Instrument 2016/767 para 7(2)]</p> <p>Note 3: A regulated person does not have to state the relevant information in dollar terms if the facts and circumstances underlying the information are not known to you and could not have been found out by the regulated person. [ASIC Consultation Paper 253, para 24]</p>			
333. Does the PDS contain worked dollar examples, unless it is inappropriate?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
[RG182.31] Note: ASIC states that it considers that it would rarely be inappropriate to include worked dollar examples where the issuer is relying on a determination, except to the extent that including them would be highly likely to confuse or mislead consumers. [RG 182.33]	<input type="checkbox"/> N/A		
334. Does the worked dollar example include warnings that make clear the nature and limitations of the example? [RG 182.34] <i>Eg: that it is illustrative only</i> Note: RG 182 indicates that ASIC expects issuers relying on an ASIC relief to keep records demonstrating that they are entitled to rely on an ASIC relief and they are complying with the conditions applying to that relief. [RG 182.30]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Commission			
335. Does the PDS include information about any commission, or other similar payments, that will or may impact on the amount of any return that the product will or may generate to the holder of the product? [1013D(1)(e)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
336. Is the payment referred to in question 335 stated as an amount in dollars (numeric PDS information)? [1013D(1)(m) (as modified by 7.9.15A)] Note 1: RG 182 provides that an 'amount in dollars' means a single dollar amount expressed either in digits or words. [RG 182.19] The maximum amount can be quoted even if it may be reduced in some circumstances. [RG 182.20] Where the amount is nil, ASIC will accept 'nil', 'zero', '0' or 'not applicable' (if it is not misleading to use that expression). [RG 182.22] Note 2: An issuer does not have to comply with paragraph 1013D(1)(m) to the extent that the provision requires an amount that is denominated in a foreign currency to be stated as an amount in Australian currency in a PDS. [ASIC Corporations (Disclosure in Dollar) Instrument 2016/767 para 7(2)] Note 3: You do not have to state the relevant information in dollar terms if the facts and circumstances underlying the information are not known to you and could not have been found out by the regulated person. [ASIC Consultation Paper 253, para 24]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
337. Does the PDS contain worked dollar examples, unless it is inappropriate? [RG 182] Note: ASIC considers that it would rarely be inappropriate to include worked dollar examples where the issuer is relying on a determination, except to the extent that	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
including them would be highly likely to confuse or mislead consumers. [RG 182.33]			
338. Does the worked dollar example include warnings that make clear the nature and limitations of the example? [RG 182.34]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<i>Example: that it is illustrative only</i>			
Note: RG 182 indicates that ASIC expects issuers relying on an ASIC relief to keep records demonstrating that they are entitled to rely on an ASIC relief and they are complying with the conditions applying to that relief. [RG 182.30]			
Enhanced fee disclosure requirements			
Single section			
339. Does the PDS set out information required by paragraphs 1013D(1)(d) and (e) (questions 331 and 335):			
(a) in a single section?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) under the heading 'Fees and other costs'?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[Reg 7.9.16N(1)]			
Consumer Advisory Warning			
340. Does the PDS include the Consumer Advisory Warning at the beginning of the fees section of the PDS? [Clause 222 of Part 2 of Schedule 10]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
Note 1: See the Schedule to this Part J for the relevant Consumer Advisory Warning wording.			
Note 2: ASIC notes that the Consumer Advisory Warning can be excluded for certain managed investment products when the structure of the product negates the relevance of having a consumer advisory warning, as there is no fund from which fees and costs are paid—for example, time-sharing schemes: clause 221 and 222 of Sch 10.			
341. Is there a preamble to the Consumer Advisory Warning? If so, does the preamble to the Consumer Advisory Warning indicate that:			
(a) the warning is required under Australian law? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
(b) specific information about fees and costs is available elsewhere in the PDS?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	

Question	Answer	Where?	Reference / Comment
Note: A preamble is not required under the legislation.			
[Page 12 of the Explanatory Memorandum to the SLI 2005, No 31]			
342. Is the preamble to the Consumer Advisory Warning consistent with the messages or themes contained in the Consumer Advisory Warning?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
[Explanatory statement]			
343. Has the issuer ensured that no additional voluntary material is included in the Consumer Advisory Warning?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
[RG 97.143]			
Fees and Costs Template			
344. Does the PDS include the Fees and Costs Template, comprising the template (see the Schedule to this Part J -) and the additional explanation of fees and costs (see questions 381 and 382 below)? [Reg 7.9.16N(2)(a)]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
Note 1: Clause 101 of Schedule 10 of the Corporations Regulations provides definitions to some of the fees and costs terms used in the template. Note 2: See the Schedule to this Part J for the relevant Fees and Costs Template.			
345. Does the material in the preamble to the Fees and Costs Template only include matters that are relevant to the product?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
[Clause 203 of Part 2 of Schedule 10]			
346. Has the issuer ensured that prescribed information is not omitted from the Fees and Costs Template?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
[RG 97.202]			
347. Is additional voluntary information only included in the Fees and Costs Template in the limited circumstances where some tailoring of the Fees and Costs Template is deemed necessary to avoid the PDS being misleading?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
[Rg 97.137 and RG 97.138]			

Question	Answer	Where?	Reference / Comment
Note: ASIC notes instances where this might occur include (but are not limited to) instances where fees and costs do not affect the value of a retail client's investment (e.g. in the Fees and Costs Template for a pure defined benefit superannuation fund)—in this case, an issuer may wish to include an explanatory note. RG 97.138]			
348. When including additional voluntary information, is the information shown in the PDS in a clear, concise and effective manner? [RG 97.139]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS	
349. Has the issuer taken care not to complicate disclosure by including large amounts of information in the PDS?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS	
Note: ASIC states that it will closely monitor any tailoring of these PDS requirements by product issuers to ensure that the ability of consumers to effectively compare products is not affected. [RG 97.140]			
350. Has the issuer included additional information about material amounts paid or payable to related parties of the issuer and an explanation of the basis for the payment?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS	
[RG 97.142]			
How to fill in the Fees and Costs Template			
351. In the amount column(s), does the template:			
(a) have 'nil', 'zero', '0' or 'not applicable' (if it would not be misleading) if a particular fee or cost is not charged, opposite the type of fee or cost? [Clause 204(2) of Part 2 of Schedule 10]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) have a range of fees or costs, if it is not possible to determine a single amount or percentage of a fee or cost? [Clause 204(3) of Part 2 of Schedule 10]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) if the exact amount of a fee or cost paid or payable is not known:			
(i) include an amount that is a reasonable estimate of the amount attributable to the retail client?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note 1: ASIC states that a reasonable estimate is an estimate that is made after taking reasonable steps. What steps are reasonable depends on the circumstances including the likely materiality of the information in light of the importance of fee disclosure in promoting transparency and comparability and the cost			

Question	Answer	Where?	Reference / Comment
<p>of seeking it. [ASIC Questions and Answers Question 8]</p> <p>Note 2: ASIC recommends that issuers take a conservative approach to making a reasonable estimate of the fees or costs by estimating on the higher end of what is reasonable. This will reduce the risk of the estimate being no longer reasonable if new information is received by the issuer about the estimated fees or costs. [ASIC Questions and Answers Question 8]</p>			
<p>(ii) clearly designate the amount as an estimate?</p> <p>[Clause 204(4) and (5) of Part 2 of Schedule 10]</p>	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p><input type="checkbox"/> N/A</p>	<p><input checked="" type="checkbox"/> PDS</p> <p><input type="checkbox"/> IBR</p>	
<p>(d) if an amount or cost has a number of components, the amount of each component listed separately?</p> <p>[Clause 204(6) of Part 2 of Schedule 10]</p> <p>Example: management costs 1.8% of member balance + \$70 per year.</p>	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>	<p><input checked="" type="checkbox"/> PDS</p> <p><input type="checkbox"/> IBR</p>	
<p>352. Are the fees or costs shown in the template stated as an amount in dollars (numeric PDS information)?</p> <p>[204(1) Sch 10, 7.9.15A]</p> <p>Note 1: RG 182 provides that an 'amount in dollars' means a single dollar amount expressed either in digits or words. [RG182.19] The maximum amount can be quoted even if it may be reduced in some circumstances. [RG182.20] Where the amount is nil, ASIC will accept 'nil', 'zero', '0' or 'not applicable' (if it is not misleading to use that expression). [RG182.22]</p> <p>Note 2: An issuer does not have to comply with paragraph 1013D(1)(m) to the extent that the provision require an amount that is denominated in a foreign currency to be stated as an amount in Australian currency in a PDS. [ASIC Corporations (Disclosure in Dollar) Instrument 2016/767 para 7(2)]</p> <p>Note 3: You do not have to state the relevant information in dollar terms if the facts and circumstances underlying the information are not known to you and could not have been found out by the regulated person. [ASIC Consultation Paper 253, para 24]</p>	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>	<p><input checked="" type="checkbox"/> PDS</p>	
<p>353. If the structure of an amount or cost prevents it from being presented as a single amount, is an amount disclosed for each component and, if relevant, an explanation of how and when paid?</p> <p>[204(6) Sch 10, RG 97.150]</p>	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p><input type="checkbox"/> N/A</p>	<p><input checked="" type="checkbox"/> PDS</p>	
<p>354. When breaking down the structure of information into components, is information on how the fees or costs recovered by the</p>	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>	<p><input checked="" type="checkbox"/> PDS</p>	

Question	Answer	Where?	Reference / Comment
<p>issuer will be applied by the cover (e.g. custodian fees) included in the 'Additional explanation of fees and costs' section of the PDS?</p> <p>Note: ASIC states that this information may complicate disclosure if included in the Fees and Costs Template itself.</p> <p>[RG 97.151]</p>	<input type="checkbox"/> N/A		
355. Does the cost or amount paid or payable include:			
(a) GST less any reduced inputs tax credits? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) stamp duty	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
Multiple investment options			
356. If the template for multiple investment options is used (template 1), is the fee information for each investment option:	<input type="checkbox"/> N/A		
(a) set out in the table? or	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) cross-referenced in the table to another section of the PDS that contains the relevant fee information?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
[Clause 205 of Part 2 of Schedule 10]			
<p>Note: This question is subject to regulations 7.9.15A, 7.9.15B and 7.9.15C (dollar disclosure). [Clause 204(1) of Part 2 of Schedule 10]</p>			
357. If a fund has more than 2 options for the payment of fees:	<input type="checkbox"/> N/A		
(a) is the number of fee payment options set out in the preamble?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) are the details of all fee payment options set out in the template?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
[Clause 206 of Part 2 of Schedule 10]			
<p>Note: Questions 356 and 357 above are subject to regulations 7.9.15A, 7.9.15B and 7.9.15C (dollar disclosure) (see questions 20,332 and 336)). [Clause 204(1) of Part 2 of Schedule 10]</p>			

Question	Answer	Where?	Reference / Comment
358. Does column 3 of the template clearly set out:			
(a) how the fee is or will be charged, for example by deduction from:			
(i) the member's investment balance; or	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) the assets of the entity	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(iii) contributions; or	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(iv) withdrawals?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) the frequency of charging the fee?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) the timing of charging the fee?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	

[Clause 207 of Part 2 of Schedule 10]

359. Does the template clearly indicate which fees and costs are negotiable (eg, by stating in column 3 'The amount of this fee can be negotiated.')?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
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[Clause 208(1) of Part 2 of Schedule 10]

360. Where fees are negotiable, does column 3 cross-reference to an explanation outside the template in the 'Additional Explanation of Fees and Costs' part of the fees section?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
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[Clause 208(2) of Part 2 of Schedule 10]

Management costs

361. Do Management Costs in the Fees and Costs Template include those items in paragraphs (a) to (i) below?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
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- (a) an amount payable for administering the managed investment scheme;
- (b) for a custodial arrangement - the cost involved, or amount paid or payable, for gaining access to, or participating in, the arrangement;
- (c) distribution costs;

Note 1: 'distribution costs' means the costs or amounts paid or payable for the marketing, offer or sale of a product. [Clause 101 of

Question	Answer	Where?	Reference / Comment
	<i>Part 1 of Schedule 10]</i>		
	<p>Note 2: 'distribution costs' includes any related adviser remuneration component other than an advice fee. [Note to definition of distribution costs in <i>Clause 101 of Part 1 of Schedule 10]</i></p>		
(d)	other expenses and reimbursements in relation to the managed investment scheme;		
(e)	amounts paid or payable for investing in the assets of the managed investment scheme;		
(f)	amounts deducted from a common fund by way of fees, costs, charges or expenses, including:		
	(i) amounts retrieved by an external fund manager or a product issuer; and		
	(ii) amounts deducted from returns before allocation to the fund;		
(g)	estimated performance fees;		
	<p>Note 1: 'performance' means</p> <p>(a) income in relation to the assets of, or attributed to, the managed investment product or the investment option; and</p> <p>(b) capital appreciation (realised or unrealised) to the value of the managed investment product, or the investment option.</p> <p><i>[Clause 102 of Part 1 of Schedule 10]</i></p>		
	<p>Note 2: 'performance fee' means an amount paid or payable, calculated by reference to the performance of a managed investment product, a superannuation product, a MySuper product or an investment option.</p> <p><i>[Clause 102 of Part 1 of Schedule 10]</i></p>		
	<p>Note 3: The responsible entity can have regard to last year's performance fee in estimating the typical ongoing performance fee to the extent that last year's performance fee may be regarded as within the range of what may be considered typical. This may not always be the case. For example if last year's performance fee was very low due to poor performance, which the issuer does not expect to be repeated in the current year, then it is unlikely that it would be used to estimate typical ongoing performance fees.</p> <p><i>[ASIC Questions and Answers Question 10]</i></p>		
(h)	any other investment-related expenses and reimbursements, including any associated with custodial arrangements;		
(i)	indirect costs.		

Question	Answer	Where?	Reference / Comment
<p>Note 1: For the full definition of indirect costs refer to the Appendix.</p> <p>[Clause 102(1) of Part 1 of Schedule 10]</p> <p>[CO 14/1252]</p> <p>Note 2: Management costs information needs to take into account at least the costs of direct investments and the costs of investments in an entity that may itself make further investments (an interposed entity). Management costs information about the investments made by an interposed entity (and other entities in a chain of such entities) should be included in the assessment of management costs to the extent these are known to the product. [RG 97.78]</p>			
362. Do Management Costs in the template exclude those items in paragraphs (a) to (i) below?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
<p>(a) a contribution fee;</p> <p>Note 1: 'contribution fee' means an amount paid or payable against the initial, and any subsequent, contributions made into a product by or for a retail client for the product. [Clause 101 of Part 1 of Schedule 10]</p> <p>Note 2: A contribution may be made by an employer on behalf of the product holder or retail client. [Note to definition of contribution fee Clause 101 of Part 1 of Schedule 10]</p>			
<p>(b) transactional costs and operational costs other than those costs under subclause 101A(3), as inserted by CO 14/1252 ;</p> <p>Note 1: 'Transactional and operational costs' include the following:</p> <p>(a) brokerage;</p> <p>(b) buy-sell spread;</p> <p>(c) settlement costs (including custody costs);</p> <p>(d) clearing costs;</p> <p>(e) stamp duty on an investment transaction;</p> <p>(ea) where an asset is acquired other than through a financial market, any part of the acquisition price of the asset that exceeds the price at which the asset could have been disposed of;</p> <p>(eb) where an asset is acquired through a financial market, any part of the acquisition price of the asset that exceeds the bid price in the financial market that would apply without the acquisition having occurred either immediately following the acquisition; or if the acquisition was a part of multiple acquisitions reflecting a single and non-recurring instruction to acquire, after the last acquisition made in accordance with the</p>			

Question	Answer	Where?	Reference / Comment
	instruction;		
	(ec) property operating costs;		
	(f) costs incurred in or by an interposed vehicle that would be transactional and operational costs if they had been incurred by the superannuation entity to which the superannuation product or investment option relates or for the registered scheme to which the managed investment products relate. <i>[Clause 103 of Part 1 of Schedule 10 as inserted by ASIC Instrument 2017/664]</i>		
	Note 2: <i>'Property operating costs'</i> means amounts that are paid or payable in relation to the holding of real property or an interest in real property, but do not include any of the following:		
	(a) borrowing costs;		
	(b) amounts that are paid or payable relating to the acquisition or disposal of real property or an interest in real property;		
	(c) an amount that is otherwise charged as any of the following: an administration fee; a buy-sell spread; a switching fee; an exit fee; an activity fee; an advice fee and an insurance fee. <i>[Clause 103 of Part 1 of Schedule 10 as inserted by ASIC Instrument 2017/664]</i>		
	(c) an additional service fee;		
	Note 1: <i>'service fees'</i> means advice fees, special request fees and switching fees. <i>[Clause 101 of Part 1 of Schedule 10]</i>		
	Note 2: <i>'special request fees'</i> includes fees paid or deducted from a product holder's managed investment scheme interest for a request made to the managed investment scheme. <i>[Clause 101 of Part 1 of Schedule 10]</i>		
	Example: This applies to a fee for a request for additional information from a managed investment scheme.		
	(d) an establishment fee;		
	Note 1: <i>" establishment fee"</i> means an amount paid or payable for the establishment of a client's interest in a product. <i>[Clause 101 of Part 1 of Schedule 10]</i>		
	Note 2: This does not include contribution fees paid or payable against the initial contribution into the product. <i>[Note to definition of establishment fee in Clause 101 of Part 1 of Schedule 10]</i>		
	(e) a switching fee;		
	Note: <i>Switching fee</i> for a for a managed investment product—means an amount paid or payable when a product holder transfers all or part of the product holder's interest in the managed investment product from one investment option to another. <i>[Clause 101 of Part 1 of Schedule 10]</i>		
	(f) an exit fee;		
	Note: <i>Exit fee</i> for a managed investment product means an amount paid or payable on the disposal of all interests held in the product. <i>[Clause 101 of Part 1 of Schedule 10]</i>		

Question	Answer	Where?	Reference / Comment
(g)	a withdrawal fee;		
	Note: <i>withdrawal fee</i> means an amount, other than an exit fee, paid or payable in respect of: (a) a withdrawal; or (b) the disposal of an interest in a product. [Clause 101 of Part 1 of Schedule 10]		
(h)	costs (related to a specific asset, other than a security or interest in an interposed vehicle, derivative financial product within the meaning of subclause 101A(3A)) or activity to produce income) that an investor would incur if he or she invested directly in the asset; and		
	Note 1: For the definition of 'interposed vehicle', see questions 374 to 380. For the full definition of 'interposed vehicle', see the Appendix. <i>If an issuer's investment in an interposed vehicle makes up a portion of the total investments in that vehicle, the issuer should only include in their indirect costs the costs of investing in the interposed vehicle that are attributable to their investment.</i> [RG 97.45]		
(i)	incidental fees.		
	Note: <i>incidental fees</i> means costs or amounts, other than costs or fees defined in this clause, that are: (a) paid or payable in relation to the product; and (b) not material to a retail client's decision to acquire, hold or dispose of his or her interest in the product. [Clause 101 of Part 1 of Schedule 10]		
	[Clause 102(2) of Part 1 of Schedule 10]		
	Note 1: The Explanatory Statement to the Regulations provides that Management Costs includes amounts deducted from a common fund by way of fees, costs, expenses or charges. Therefore complying with the ICR methodology amounts to complying with the requirement to disclose common fund amounts pursuant to paragraph 1013D(1)(d)(iii) of the Act.		
	Note 2: Fees or costs that an investor would necessarily incur if they invested directly in a specific asset of the fund are to be excluded from the definition where they can be identified and isolated.		
	Note 3: Where an investor invests in a managed investment product which itself has made an investment through a trust or other structure which holds the underlying investment assets, the costs of investing through the interposed entity must be captured as they are not costs which an investor would necessarily incur if they invested directly in the underlying investment assets. This ensures that layers of management costs are captured where there are a chain of entities involved.		
363.	When current or prospective fee information is available, which differs from that applying over the financial year before the PDS is to	<input type="checkbox"/> N/A <input type="checkbox"/> Yes	<input checked="" type="checkbox"/> PDS

Question	Answer	Where?	Reference / Comment
be issued, is this most recent fee information used to calculate the management costs?	<input type="checkbox"/> No		
[RG 97.41]			
Note: ASIC notes an issuer will need to consider after the end of each financial year whether the disclosures affected by the amount for costs in their PDS need to be updated to ensure the PDS is up to date (as required by s1012J) and to avoid the PDS being likely to be misleading. If the costs for the most recent financial year would result in different disclosures to what is disclosed in the PDS, then the issuer may need to update the PDS. If the difference is not materially adverse from the viewpoint of the investor, the issuer can make the update by releasing the new information in a way that is permissible under [ASIC Corporations (Updated Product Disclosure Statements) Instrument 2016/1055]. [RG 97.41]			
364. Has the issuer updated the relevant amounts stated in the PDS if it becomes aware of information that means such an amount (including an amount that is used in the annual example of fees and costs as part of the management costs) or the indirect cost ratio that was disclosed in the PDS is no longer what is known or reasonably estimated for the period for which it relates?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
[RG 97.36]			
Note 1: ASIC states that if the new is not materially adverse from the viewpoint of the investor, the issuer may, rather than updating the PDS, make the update available in a way allowed under ASIC Corporations (Updated Product Disclosure Statements) Instrument 2016/1055. [RG 97.37]			
Note 2: If, however, the new information is materially adverse from the viewpoint of the investor, the issuer will need to update the PDS. In this situation, the PDS would be defective because it would not be up to date when given. [RG 97.38]			
365. If a fee will vary so that a certain maximum fee applies for a particular period (eg. a 'honeymoon' period) and then another maximum fee applies, does the Fees and Costs Template separately disclose:	<input type="checkbox"/> N/A		
(a) the fees for the 'honeymoon' period?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
(b) the fees for the second period following from when the 'honeymoon' period expires?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
[97.155]			

Question	Answer	Where?	Reference / Comment
366. Is the assessment of performance fees based on reasonable assumptions?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
[RG 97.87]			
367. Do the disclosed management costs take into account at least:			
(a) the costs of direct investments?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
(b) the costs of investments in an entity that may itself make further investments (an interposed entity)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
[RG 97.43]			
368. Are the investments made by an interposed entity (or chain of interposed vehicles) included in the assessment of management costs?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS	
[RG 97.42]			

Meaning of indirect costs

369. Is the indirect cost of the managed investment product or investment option offered by the managed investment scheme any amount that:
- (a) a responsible person knows, or reasonably ought to know or, where this is not the case, may reasonably estimate has reduced or will reduce (as applicable), whether directly or indirectly, the return on the product or option that is paid from or reduces the amount or value of:
- (i) the income of or the property attributable to the product or option; or
- (ii) the income of or the property attributable to an interposed vehicle in or through which the property attributable to the product or option is invested; and
- (b) satisfies both the following:

Question	Answer	Where?	Reference / Comment
(i)	the amount is paid or payable by or on behalf of a person who may make payments that form part of the return on, or the value of, the product or option whether directly or through an interposed vehicle;		
(ii)	payment of the amount is a benefit that increases the returns or value of the product or option or provides a benefit to the issuer in relation to the product or option that is retained by the issuer; and		
(c)	is not a fee as defined in clause 209A of Schedule 10 of the Corporations Regulations or an insurance fee?		
(d)	subject to Question 372 and 373, would, if the amount had been paid out of the scheme property of the registered scheme, be a management cost of the managed investment product?		
[Clause 101A(1) of Schedule 10 as amended by CO 14/1252]			
<p>Note 1: <i>In making a reasonable estimate of a cost, issuers may use information they have and make reasonable assumptions. ASIC notes that it will accept an estimate that the issuer believes is their best estimation, if the issuer has taken reasonable steps to formulate it. Reasonable steps would include those that are within the issuer's duties and obligations as a responsible entity or superannuation fund trustee. However, in some cases further steps may be reasonable, specifically to obtain information about costs for disclosure under the enhanced fee disclosure regime. [RG 97.87]</i></p>			
<p>Note 2: <i>In determining whether steps are reasonable it will be relevant to consider among other things:</i></p> <p>(a) <i>the cost or effort involved in the steps; and</i></p> <p>(b) <i>the likelihood that the steps would result in a material change to what would otherwise have been estimated, and that this would impact the amounts that may be required to be disclosed. [RG 97.88]</i></p>			
<p>Note 3: <i>An issuer should consider documenting their procedures for making reasonable estimates of costs. [RG 97.90]</i></p>			

370. In calculating the indirect costs ratio, has the issuer taken into account all indirect costs, ☐ Yes

Question	Answer	Where?	Reference / Comment
<p>which includes any amount that a responsible person knows, or reasonably ought to know or, or may reasonably estimate has reduced or will reduce whether directly or indirectly the return on the product or option that is paid from, or reduces the amount or value, of:</p> <p>(a) the income of or the property attributable to the product or option; or</p> <p>(b) the income of or property attributable to an interposed vehicle in or through which the property attributable to the product is invested?</p> <p>[Clause 101A(1) of Schedule 10 as amended by CO 14/1252]</p> <p>Note 1: Property is invested in or through an interposed vehicle even if:</p> <p>(a) the property is in turn invested in or through one or more other interposed vehicles; or</p> <p>(b) the property was invested in the first mentioned interposed vehicle through or by another interposed vehicle. [Clause 101A(2) of Schedule 10 as amended by CO 14/1252]</p> <p>Note 2: Property is not invested in or through an interposed vehicle if the property is invested in the vehicle by a body, trust or partnership that is not an interposed vehicle and is not the trustee or the responsible entity. [Clause 101A(2) of Schedule 10 as amended by CO 14/1252]</p> <p>Note 3: For the definition of 'interposed vehicle', see questions 374 to 380. For the full definition of 'interposed vehicle' and 'indirect costs', see the Appendix.</p>	<input type="checkbox"/> No		
<p>371. Has the issuer ensured that any amount of indirect costs does not include any amount that is not a defined fee for a superannuation product or an insurance fee?</p> <p>[Clause 101A(1) of Schedule 10 as amended by CO 14/1252]</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No		
<p>Note: The following question 372 applies only in respect of a derivative financial product that is not an option to acquire or dispose of a financial product and the amount of indirect costs is attributable to the product or investment option or an interposed vehicle through which the property attributable to the product or investment option is invested.</p>			

Question	Answer	Where?	Reference / Comment
372. Does the amount of indirect costs referred to in question 369 include:	<input type="checkbox"/> Yes		
	<input type="checkbox"/> No		
(a) where the responsible person knows, or reasonably ought to know or, where this is not the case, may reasonably estimate those amounts, the amount that is the difference between the underlying return and the actual return for the derivative financial product (but only where the actual return on the product or option is less than the underlying return on the derivative financial product over the relevant financial year); or			
(b) where the responsible person does not know, does not believe they reasonably ought to know, and is not able to reasonably estimate without taking steps that the responsible person considers unreasonable the amount in paragraph (a), the greater of:			
(i) the amount calculated using the following formula: $0.1\% \times \text{value} \times (n/365)$ where n means the number of days that the derivative financial product was held during the financial year and value , in relation to the derivative product, means the value of the ultimate reference assets, in each one taking into account any leverage, offsets or similar adjustments applied to or between the ultimate c under the terms of the derivative product; and			
(ii) the minimum amount that the responsible person believes or has reasonable grounds to believe would apply under paragraph (a).			

[Clause 101A(3) of Schedule 10]

Note 1: *The indirect costs of a managed investment product or an investment option of a*

Question	Answer	Where?	Reference / Comment
<p><i>managed investment scheme do not include amounts referred to above where:</i></p> <p>(a) <i>the derivative financial product is acquired or disposed of for the primary purpose of avoiding or limiting the financial consequences of fluctuations in, or in the value or, receipts or costs of the managed investment scheme whether or not the receipts or costs arise in or through an interposed vehicle; and</i></p> <p>(b) <i>the indirect costs were calculated under (a), to the extent that the difference would result from the incurring of transactional or operational costs in relation to the ultimate reference assets.</i> <i>[Clause 101A(4) of Schedule 10]</i></p> <p>Note 2: <i>For the definition of 'interposed vehicle', see questions 374 to 380. For the full definition of 'interposed vehicle' and 'indirect costs', see the Appendix.</i></p>			
<p>Note: <i>This question 373 applies only in respect of a derivative financial product that is an option to acquire or dispose of a financial product and the amount of indirect costs is attributable to the product or investment option or an interposed vehicle through which the property attributable to the product or investment option is invested.</i></p>			
373. Does the amount of indirect costs include:	<input type="checkbox"/> Yes		
<p>(a) where the responsible person knows, or reasonably ought to know or, where this is not the case, may reasonably estimate those amounts, any amount by which the cost incurred to acquire the derivative financial product exceeds the amount that would be obtained on its disposal at that time; or</p> <p>(b) where the responsible person does not know, does not believe they reasonably ought to know, and is not able to reasonably estimate without taking steps that the responsible person considers unreasonable the amount in paragraph (a), the lesser of:</p> <p>(i) the amount that would apply under subparagraph (b)(i) in question 372(b)(i); and</p> <p>(ii) the premium paid by the responsible person or interposed vehicle for the option.</p>	<input type="checkbox"/> No		
[Clause 101A(3) of Schedule 10]			

Question	Answer	Where?	Reference / Comment
<p>Note 1: <i>The indirect costs of a managed investment product or an investment option of a managed investment scheme do not include amounts referred to above where:</i></p> <p>(a) <i>the derivative financial product is acquired or disposed of for the primary purpose of avoiding or limiting the financial consequences of fluctuations in, or in the value or, receipts or costs of the managed investment scheme whether or not the receipts or costs arise in or through an interposed vehicle; and</i></p> <p>(b) <i>the indirect costs were calculated under (a), to the extent that the difference would result from the incurring of transactional or operational costs in relation to the ultimate reference assets.</i> <i>[Clause 101A(4) of Schedule 10]</i></p> <p>Note 2: <i>For the definition of 'interposed vehicle', see questions 374 to 380. For the full definition of 'interposed vehicle' and 'indirect costs', see the Appendix.</i></p>			

Interposed vehicles

Note: *The following questions will assist to determine whether the vehicle is an interposed vehicle.*

Platform test

374. Do all of the following apply:
- (a) instructions are acted on under a custodial relationship (as defined by s1012A(1));
- (b) a security or interest in the entity is included in a list of financial products published, about which instructions, directions or requests may be given; and
- (c) the PDS states that a holder of the product may give instructions, directions or requests for financial products be acquired?

☐ Yes

☐ No

If yes the vehicle is not an interposed vehicle.

Note: *In some circumstances, if securities or interests in an entity are acquired through a platform the entity is not treated as an interposed vehicle on the basis that they are selected by the investor. This applies where the PDS states that the securities or interests will be acquired on the instruction, direction or request of the client and the relevant investments that the client may choose are in a list published by the responsible person. The acquisition must be under a custodial arrangement (within the meaning of s1012IA(1) of the Corporations Act). This would apply to certain assets acquired through platforms called wraps, superannuation platforms or IDPSs. [RG 97.68]*

Question	Answer	Where?	Reference / Comment
<p>[Clause 101B(5) of Schedule 10 as substituted by ASIC Corporations (Amendment and Repeal) Instrument 2015/876 para 11(5), RG 97.55 Figure 1]</p>			
Assets test			
<p>375. Does the issuer believe or have reasonable grounds to believe that the vehicle has more than 70% of its assets by value invested in relevant securities and financial products?</p> <p>[101B(2)(b) of Schedule 10 as inserted by CO 14/1252 para 6(a)(v), RG 97.55 Figure 1]</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No If yes, the vehicle is an interposed vehicle		
<p>376. If the entity is considered to be an interposed vehicle and it invests in another interposed vehicle, have the costs incurred by the other vehicle been taken into account?</p> <p>[RG 97.81]</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No		
PDS test			
<p>377. Based on the PDS for the product or option, could the vehicle be reasonably regarded as the means by which the benefit of investments by or through the entity is obtained, rather than the investment of the fund?</p> <p>[101B(4) of Schedule 10 as inserted by ASIC Corporations (Amendment) Instrument 2016/1224, RG 97.55 Figure 1]</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No If yes, the vehicle is an interposed vehicle		
Real property test			
<p>378. Are both of the following satisfied:</p> <p>(a) the PDS refers to "property", "real estate" or "land" or similar terms in the description of the product or investment option or as one of the assets in which investment may be made under the product or investment option? and</p> <p>(b) real property or an interest in land to which the reference relates is directly or indirectly held by or through the entity?</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No If yes, the vehicle is an interposed vehicle		

Question	Answer	Where?	Reference / Comment
<p>Note: <i>The vehicle is not an interposed vehicle, despite the answer to this Question 378 if both of the following are satisfied:</i></p> <p><i>(a) the reference in the PDS is merely part of a reference to an entity (whether specified or not) that directly or indirectly invests in real property or interests in land or to physical infrastructure of the following:</i></p> <ul style="list-style-type: none"> <i>(i) airports;</i> <i>(ii) electricity generation, transmission or distribution facilities;</i> <i>(iii) gas transmission or distribution facilities;</i> <i>(iv) hospitals;</i> <i>(v) ports;</i> <i>(vi) railways;</i> <i>(vii) roads;</i> <i>(viii) sewerage facilities;</i> <i>(ix) telecommunication facilities; and</i> <i>(x) water supply facilities; and</i> <p><i>(b) a retail client who has read the PDS could not reasonably believe that the product or asset may be intended for the persons predominantly intending to benefit from increases in the value of, or returns from holding, real property or an interest in land other than the physical infrastructure referred to in paragraph(a) above.</i></p> <p>[Clause 101B(4A)-(4B) of Schedule 10 as substituted by ASIC Instrument 2017/664 para 6(b)]</p>			

Infrastructure test			
379. Are both of the following satisfied:	<input type="checkbox"/> Yes		
<p>(a) the PDS refers to the product or option as being directly or indirectly invested in or through an entity (whether specified or not) other than an infrastructure entity which the responsible person believes has a majority of its assets invested in physical infrastructure of the following:</p> <ul style="list-style-type: none"> (i) airports; (ii) electricity generation, transmission or distribution facilities; (iii) gas transmission or distribution facilities; (iv) hospitals; (v) ports; (vi) railways; (vii) roads; (viii) sewerage facilities; 	<p><input type="checkbox"/> No</p> <p>If yes, the vehicle is an interposed vehicle</p>		

Question	Answer	Where?	Reference / Comment
<p>(ix) telecommunication facilities; and</p> <p>(x) water supply facilities; and</p> <p>(b) the reference relates to the entity.</p> <p>Note 1: <i>The vehicle is not an interposed vehicle, despite the answer to this Question 379 if the following is satisfied:</i></p> <p>(a) either:</p> <p>(i) <i>the entity is admitted to the official list of a prescribed financial market or a financial market operated outside of this jurisdiction that is regulated by a foreign government or an agency of a foreign government; or</i></p> <p>(ii) <i>the issuer of the securities or financial products of the entity has applied, or stated in a regulated disclosure that they will apply, for such admission; and</i></p> <p>(b) <i>the securities or financial products of the entity are, or are to be, held under an investment strategy for the product or investment option that:</i></p> <p>(i) <i>relates to, or is publicly measured by the responsible person by reference to, a widely used index (reference index) of securities or financial products of entities that satisfy subnote (i); and</i></p> <p>(ii) <i>is a strategy of holding directly or indirectly securities or financial products of entities that satisfy subnote (a) and that represent at least 80% by value of the net assets attributable to the investment strategy; and</i></p> <p>(c) <i>the value of all the securities or financial products of the entity that are in the same class as the securities or financial products held under the investment strategy does not exceed 30% of the value of the reference index.</i></p> <p>Note 2: <i>If the requirements in Note 1: are satisfied, the vehicle still may be an interposed vehicle, just not by reference to the infrastructure test in question 379.</i></p> <p>[Clause 101B(4C)-(4D) of Schedule 10 as substituted by ASIC Instrument 2017/664 para 6(b)]</p>			

Question	Answer	Where?	Reference / Comment
Process			
380.	<p>Note 1: When considering whether an entity is an interposed vehicle, the IWG recommends adopting the following process:</p> <p>(a) look at each investment held by the fund or investment option or another interposed vehicle. With each investment, identify if there is an investment in or through a body, trust or partnership (e.g. units in an unlisted unit trust, a policy held through a life company, shares in a private company, a partnership interest in a limited partnership, shares in a listed investment company, units in an exchange traded fund);</p> <p>(b) if there is an investment in a body, trust or partnership, consider whether the asset test is satisfied. If the asset test is satisfied, apply the platform test;</p> <p>(c) if the asset test is not satisfied, consider whether the PDS test applies. If the PDS test is satisfied, apply the platform test;</p> <p>(d) if the platform test is satisfied, the entity is not an interposed vehicle. [RG 97 Industry Working Group Guidance page 18-19]</p> <p>Note 2: The IWG recommends that responsible entities make their determinations of whether an entity is an interposed vehicle by reference to objective and reasonable factors, and document and retain relevant records of their determinations. [RG 97 Industry Working Group Guidance page 19]</p>		

Additional explanation of fees and costs			
381.	Does the fees and costs section of the PDS have a section with the heading 'Additional Explanation of Fees and Costs'?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS*
[Clause 209 of Part 2 of Schedule 10]			
382.	Does the section with the heading 'Additional Explanation of Fees and Costs' include the following information:		
(a)	an explanation of any service fees mentioned in footnote 2 of the table?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR
[Clause 209(a) of Part 2 of Schedule 10]			
(b)	information on any performance fees including:		
(i)	if applicable, a statement about how performance fees affect management costs? and	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR
(ii)	the method for calculating the performance fees? and	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR

Question	Answer	Where?	Reference / Comment
(iii) the amount of the performance fees, or an estimate of the amount if the amount is not known?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
[Clause 209(b) of Part 2 of Schedule 10]			
Note 1: A prospective estimate of the performance fee should be used in making disclosure under 'Additional explanation of fees and costs' and ASIC think this can be on a typical ongoing basis. [ASIC Questions and Answers Question 10]			
Note 2: The issuer can have regard to last year's performance fee in estimating the typical ongoing performance fee to the extent that last year's performance fee may be regarded as within the range of what may be considered typical. This may not always be the case. For example if last year's performance fee was very low due to poor performance, which the issuer does not expect to be repeated in the current year, then it is unlikely that it would be used to estimate typical ongoing performance fees. [ASIC Questions and Answers Question 10]			
Note 3: The issuer should estimate what the typical ongoing amounts payable on an annual basis over current and future financial years will be. The previous year's performance fees or investment targets may be considered in the estimation, but the issuer would often not estimate that performance fees will remain at their previous level or the performance will meet the target. Actual performance fees may vary from year to year to due to performance, rather than from a change of the criteria or the method of calculation of the fee. Such a change would not necessarily mean that an issuer would need to change their estimate of typical ongoing performance fees. [RG 97.129 and 97.131]			
Note 4: Note that fees relating to performance — that do not relate to the performance of the entire fund or investment option — do not meet the definition of performance fees in Schedule 10. Fees relating to performance paid indirectly through interposed vehicles are also costs that are disclosed as investment fees unless the trustee elects in writing to disclose them as indirect costs. The disclosed amounts will be calculated based on what was incurred last financial year, other than for new products, not an average amount over other years. ASIC encourage inclusion of brief information about material costs relating to performance under 'Additional explanation of fees and costs', but this does not replace the need to take into account those costs in investment fees, or where permitted the ICR. [ASIC Questions and Answers Question 10]			
(c) for tax, a cross reference to the "Tax" part of the Product Disclosure Statement? [Clause 209(c) of Part 2 of Schedule 10]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(d) if the product is subject to tax, whether the benefit of any tax	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> PDS	

Question	Answer	Where?	Reference / Comment
deduction is passed on to the investor in the form of a reduced fee or cost? [Clause 209(d) of Part 2 of Schedule 10]	<input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> IBR	
(e) an explanation of adviser remuneration that forms part of any fee or cost in the table, including (if known to the trustee):	<input type="checkbox"/> N/A		
(i) the method of calculation?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
(ii) the amounts of commission or the range of amounts?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
(iii) whether the amounts are negotiable or rebatable?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
(iv) the way in which amounts may be negotiated or rebated?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
[Clause 209(e) of Part 2 of Schedule 10]			
(f) an explanation of any advisor service fees? [Clause 209(f) of Part 2 of Schedule 10]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(g) for a negotiated fee or cost, contact details of the person or body with whom the fee or cost can be negotiated and the manner of negotiation? [Clause 209(g) of Part 2 of Schedule 10]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(h) worked examples (if appropriate)? [Clause 209(h) of Part 2 of Schedule 10]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS*	
(i) additional details of incidental fees (if appropriate)? [Clause 209(i) of Part 2 of Schedule 10]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
<i>Eg: cheque dishonour fees</i>			
Note: Incidental fees is defined in clause 101 of Schedule 10 of the Regulations to mean costs or amounts, other than costs or fees defined in clause 101, that are:			
(a) paid or payable in relation to the product; and			
(b) not material to a retail client's decision to acquire, hold or			

Question	Answer	Where?	Reference / Comment
<i>dispose of his or her interest in the product.</i>			
(j) details of transactional and operational costs such as brokerage and buy-sell spread, including:	<input type="checkbox"/> N/A		
(i) a description of the cost? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) the amount, or an estimate if the amount is not known? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(iii) how and when the costs are recovered? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(iv) a statement that the cost is an additional cost to the investor? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(v) whether any part of the buy-sell spread is paid to the product issuer or an external manager? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
[Clause 209(j) of Part 2 of Schedule 10]			
Note 1: Transactional and operational costs are defined in the Regulations to include:			
(a) brokerage;			
(b) buy-sell spread;			
(c) settlement costs (including custody costs);			
(d) clearing costs; and			
(e) stamp duty on an investment transaction.			
(ea) where an asset is acquired other than through a financial market, any part of the acquisition price of the asset that exceeds the price at which the asset could have been disposed of;			
(eb) where an asset is acquired through a financial market, any part of the acquisition price of the asset that exceeds the bid price in the financial market that would apply without the acquisition having occurred either:			
(i) immediately following the acquisition; or			
(ii) if the acquisition was a part of multiple acquisitions reflecting a single and non-recurring instruction to acquire, after the last acquisition made in accordance with the instruction;			
(ec) property operating costs;			
(f) costs incurred in or by an interposed vehicle that would be transactional and operational costs if they had been incurred by the superannuation entity to which the superannuation product or investment option relates,			

Question	Answer	Where?	Reference / Comment
	and does not include borrowing costs or costs that are indirect costs because of subclause 101A(3) of the Regulations.		
	[103 Sch 10 as amended by CO 14/1252]		
Note 2:	When noting transactional and operational costs under 'Additional explanation of fees and costs', issuers should set out how any costs resulting from issues and withdrawals will be borne. If this is recovered in whole or part by a spread between the prices charged to the member for issue of and withdrawal from the product, the issuer should state this with an explanation of how the amount is determined. [RG 97.52]		
Note 3:	The issuer should note if any part of the spread between the acquisition and disposal price on assets is payable to the issuer or an external manager. The disclosure must include how and when these costs are recovered. [RG 97.53]		
Note 4:	ASIC consider that the difference between the amount paid for the asset and the value of the asset at the time of purchase based on its selling price is a transactional cost. This amount is not necessarily the bid-ask spread as disclosed in a market immediately prior to the transaction. For example if the purchase involves a seller crossing a pre-existing spread to accept a bid, there may be no transaction cost for the buyer on this basis. In estimating transaction cost it is important to estimate the market impact, where this is material as is more likely for large orders. In placing a large order over a period of time, the bid-ask spread can move. The transaction cost should not be calculated on a transaction by transaction basis based on bid-ask spread, but should reflect what the likely selling price would be after the set of transactions in an order. If heavy bidding leads to the bid going up, but once the buy order is filled the bid will again go down (although not necessarily immediately), it is the bid price after the completion of the transactions that should be estimated. [ASIC Questions and Answers Question 16]		
Note 5:	Property management costs also will need to be included in the transactional and operational costs disclosure. This applies to management of specific properties that are already held and are to be leased. The provision of services in deciding about which properties to acquire or dispose or how to use the properties, is a cost of managing the assets that is not a transactional or operational costs. For a managed investment product this cost forms part of management costs. Property development or refurbishment costs may appropriately be able to be treated an investment in the property rather than a cost of investment in the property and therefore should not be included in the fees or costs disclosure including as transactional and operational costs. [ASIC Questions and Answers Question 18]		
Note 6:	Exchange traded derivatives should be treated like other financial products and so costs of acquiring or disposing of the derivative such as 'clearing costs and brokerage borne by the superannuation fund or an interposed vehicle should be treated as an investment fee or where permitted as an		

Question	Answer	Where?	Reference / Comment
<i>indirect cost. Also these costs plus any difference between acquisition cost and the price following acquisition should be included in transactional and operational costs under 'Additional explanation of fees and costs'.</i> <i>[ASIC Questions and Answers Question 24]</i>			
(k) the following information about fee changes:			
(i) if applicable, a statement about the issuer's right to change the amount of fees without the investor's consent?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) indexation arrangements that apply?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(iii) the period of advance notice required for fee changes?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(iv) any change in fee structure that is dependent on a person's employment?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
<i>[Clause 209(k) of Part 2 of Schedule 10]</i>			
(l) if the issuer has instituted a flexible charging structure, for each applicable fee (if known):	<input type="checkbox"/> N/A		
(i) any maximum, and when it would apply?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) any waiver, and when it would not apply?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
<i>[Clause 209(l) of Part 2 of Schedule 10]</i>			
Note 1: ASIC recognises that an estimate may be required. The issuer should consider including an explanation of the approach taken to the calculation.			
Note 2: ASIC encourages users to include information about possible outcomes in the current year or later financial years if there are circumstances that indicate that outcomes in the previous financial year may not be a good indication of typical ongoing costs. ASIC also suggest that the information include an explanation that the figures are based on outcomes from the previous financial year and why typical ongoing costs are likely to be materially different where that is the case. Also, where reasonable grounds exist, issuers may include a forecast of the range of typical ongoing costs that may be expected, based			

Question	Answer	Where?	Reference / Comment
on the information available when the PDS is prepared.			
[RG 97.32-RG 97.33]			
383. Have contingent fees and costs been included in the calculation of management costs, unless they do not constitute a management cost (for example incidental fees will not be management costs)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
[Clause 102(2) of Schedule 10]			
Note: For details of costs that are not management costs, see clause 102(2) of Schedule 10.			
384. Has the issuer provided in the 'additional explanation of fees and costs' section of the PDS:	<input type="checkbox"/> N/A		
(a) an explanation of the contingent costs?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
(b) the circumstances in which contingent costs are likely to be charged?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
[RG 97.160]			
38 Does the 'Additional Explanation of Fees and Costs' section of the PDS also include:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS*	
(a) a general description of the nature of management costs, transactional and operational costs and buy/sell spreads of any managed funds?			
[RG 97 Industry Working Group Guidance page 84]			
(b) disclose amounts of borrowing costs and property operating costs as a ratio for the investment option or product, calculated on the same basis as an indirect cost ratio? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
[RG 97 Industry Working Group Guidance page 57]			
Note: The IWG states that the disclosure of borrowing costs should be based on a product's or option's net asset value, or gross asset value. However, if the gross asset value is used, the disclosure should clearly state this. [RG 97 Industry Working Group Guidance page 65-66]			
(c) a warning such as "Past costs are not a reliable indicator of future costs",	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	

Question	Answer	Where?	Reference / Comment
where there is a risk of costs materially changing in the future?			
[RG 97 Industry Working Group Guidance page 57]			
Note: These are IWG recommendations, not legal requirements.			
Rebates and related payments			
386. If the issuer offers a rebate, does the 'additional explanation of fees and costs' section of the PDS disclose:	<input type="checkbox"/> N/A		
(a) the amount of the rebate? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
(b) when the rebate applies?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
[RG 97.157]			
Note: The IWG recommends that the PDS include a net figure of fees and costs of rebates, offsets and similar arrangements. [RG 97 Industry Working Group Guidance page 53]			
Example of annual fees and costs			
387. Does the PDS contain an example of annual fees and costs and associated notes as the template example:	<input type="checkbox"/> N/A		
(a) with the same headings? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
(b) in the same form?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
[Clause 210 of Part 2 of Schedule 10]			
Note: See the Schedule to this Part J for the relevant prescribed 'example of annual fees and costs' template.			
388. Is the example of annual fees and costs:			
(a) based on a balanced investment option in which the ratio of investment in growth assets, such as shares or property, to investment in defensive assets, such as cash or bonds, is as close as practicable to the fund's default investment option?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS*	
or			
(b) if the fund does not offer an investment option similar to a balanced investment option, based on the fund's default investment option?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS*	
or			

Question	Answer	Where?	Reference / Comment
(c) if the fund does not have a balanced investment option or a default investment option, based on the investment option under which the fund has the most funds invested?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS*	
[Clause 220 of Part 2 of Schedule 10]			
389. Is the example of annual fees and costs included in the 'Fees' section of the PDS, following the Fees and Costs Template (comprising the template and the additional explanation of fees and costs)?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS*	
[Clause 210(c) of Part 2 of Schedule 10]			
390. In the example, is there a footnote assumption regarding timing of the additional contribution?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS	
[ME Suggestion]			
391. Are the fees and costs stated in the example the typical ongoing fees that apply to the product?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS*	
[Clause 214 of Part 2 of Schedule 10]			
Note: The example should not be based on 'honeymoon rates'. It must be consistent with the statement for an existing member of the fund having the stated balance and level of contributions each year.			
392. Is the example (including the management costs, withdrawal fee or an exit fee) applied to:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS*	
(a) an amount of \$50,000; or			
(b) an amount that is a multiple of \$50,000 if clause 215 (question 393 below) applies?			
[Clauses 217(3), 218A(1) and 219(1) of Part 2 of Schedule 10]			
Note 1: In calculating the amount, do not include contributions that may be made during the year.			
Note 2: If there is a range in the amount of management costs that may be charged for an investment option offered by a managed investment scheme, the example must use the highest management costs in the range.			
[Clause 218A(2) of Part 2 of Schedule 10]			
393. If the minimum balance required to enter a fund is greater than \$50,000, is the example based on an amount that is the lowest multiple of \$50,000 that exceeds the	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS*	

Question	Answer	Where?	Reference / Comment
<p>minimum entry balance? [Clause 215 of Part 2 of Schedule 10]</p> <p>Example: If a fund has a minimum entry balance of \$65,000, the relevant amount for the example of annual fees and costs is \$100,000.</p>			
<p>394. If an exit fee may be charged, is it described in a footnote to the example in the same way as a withdrawal fee, based on:</p> <p>(a) an amount of \$50,000; or</p> <p>(b) an amount that is a multiple of \$50,000 if clause 215 (question 393) applies?</p> <p>[Clause 216 of Part 2 of Schedule 10]</p>	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p><input type="checkbox"/> N/A</p>	<p><input checked="" type="checkbox"/> PDS*</p>	
<p>395. Are the amounts of contribution fees inserted in the example of annual fees and costs applied against an additional contribution of \$5,000? [Clause 217(1) of Part 2 of Schedule 10]</p>	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>	<p><input checked="" type="checkbox"/> PDS*</p>	
<p>396. If a PDS relates to a product:</p> <p>(a) that is paid for by a single lump sum amount; and</p> <p>(b) for which no additional contributions can be made,</p> <p>is the example modified by removing references to contributions or contribution fees? [Clause 217(2) of Part 2 of Schedule 10]</p>	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p><input type="checkbox"/> N/A</p>	<p><input checked="" type="checkbox"/> PDS*</p>	
<p>397. If there is a fee paid for the initial contribution, is this described as the establishment fee?</p> <p>[Note to clause 217 of Part 2 of Schedule 10]</p>	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p><input type="checkbox"/> N/A</p>	<p><input checked="" type="checkbox"/> PDS*</p>	
<p>398. Are management costs that are not deducted directly from a member's account calculated using the indirect cost ratio for the fund? [Clause 218A(3) of Part 2 of Schedule 10]</p> <p>Note 1: A single reasonable estimate should be used when determining the indirect cost ratio if the costs are not known. Similarly, the amount included within administration and management costs for managed investment products should be based on what is known or is a single reasonable estimate.</p> <p>Note 2: The indirect cost ratio (ICR), for an investment option offered by a managed investment scheme, is the ratio of the management costs for the option that are not deducted directly from a product holder's account, to the total average net assets of the managed investment scheme that relates to the investment option. [Clause 104 (1A)]</p>	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p><input type="checkbox"/> N/A</p>	<p><input checked="" type="checkbox"/> PDS*</p>	

Question	Answer	Where?	Reference / Comment
<i>of Schedule 10]</i>			
<p>Note 3: The ICR for a Product Disclosure Statement that is available during a particular financial year is to be determined for the previous financial year except that if the product or investment option was not offered from at least 11 months before the end of the previous financial year, the ICR for the Statement is to be determined based on the responsible person's reasonable estimate at the time the Statement is prepared of the ICR that will apply for the current financial year and if the product or investment option was first offered in the current financial year, since the time the product or investment option was first offered, adjusted to reflect a 12 month period. [104(2) Sch 10 as amended by CO 14/1252]</p> <p>[RG 97.19]</p>			
399. Has the issuer used the most current management costs information available for determining the ICR at the time that the PDS is issued?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
<p>Note: ASIC states that typically this will be indirect management costs information for the last financial year ended before the issue of the PDS. However, if this is not available, information for a different financial period can be used provided that it is reasonably current and that its use is not misleading to consumers. For example, a product issuer may determine that a period of less than 12 months may be appropriate.</p> <p>[RG 97.204 - RG 97.206]</p>			
400. When current or prospective fee information is available, which differs from that applying over the financial year before the PDS is to be issued, is this most recent fee information used to calculate the ICR?	<input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
<p>[RG 97.83]</p> <p>Note 4: This question is based on the November 2011 version of RG 97.</p> <p>Note 5: Most relevantly in the March 2017 version of RG 97, ASIC states that where reasonable grounds exist, issuers may include a forecast of the range of typical ongoing costs that may be expected, based on the information available when the PDS is prepared. [RG 97.33]</p>			
401. Are any percentage-based management costs that are deducted directly from a member's account added to the percentage amount calculated under subclause (3) (question 398)? [Clause 218A(4) of Part 2 of Schedule 10]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS*	
402. Are dollar-based management costs that are deducted directly from a member's account	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	

Question	Answer	Where?	Reference / Comment
<p>shown separately in the management costs cell? [Clause 218A(5) of Part 2 of Schedule 10]</p> <p>Example 1: Management costs: 2 % deducted directly from your account + 1.6% deducted indirectly.</p> <p>Example 2: Management costs: \$52 per year (\$1 per week) deducted directly from your account + 1.6% deducted indirectly.</p> <p>Example 3: Management costs: \$52 per year (\$1 per week) + 1% deducted directly from your account + 1.6% deducted indirectly.</p>	<input type="checkbox"/> N/A		
<p>403. Is additional voluntary information only included in the example of annual fees and costs in the limited circumstances where some tailoring of the example of annual fees and costs is deemed necessary? [RG 97.137]</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
<p>404. Has the issuer ensured that prescribed information is not omitted from the example of annual fees and costs? [RG 97.202]</p> <p>Note: ASIC recognises that some managed investment products issuers may need to adapt the example fees and costs to take into account the nature of the scheme and its fee and cost arrangements.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
<p>405. If the nature of the product and its fees and costs arrangement supports disclosure in the prescribed format:</p> <p>(a) is that format used?</p> <p>(b) has the issuer included all prescribed information?</p> <p>Note: ASIC provides the example of an investment-type product.</p> <p>[RG 97.202]</p>	<input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input checked="" type="checkbox"/> PDS	
<p>406. For a managed investment product, does the PDS provide consumers with a prescribed worked example of the application of fees and costs in relation to the product during a single year's holding of the product?</p> <p>[RG 97.201]</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Adapting the example of annual fees and costs			
<p>407. Is an adapted example only used if the nature of the product and its fees and costs arrangement does not support disclosure in the prescribed format?</p> <p>[RG 97.204]</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS	

Question	Answer	Where?	Reference / Comment
408. Where the issuer has adapted the format for the example of annual fees and costs, does the adapted format continue to reflect the central features of the prescribed format, including:	<input type="checkbox"/> N/A		
(a) the placement of the example of annual fees and costs in the 'fees' section of the PDS?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
(b) making the minimum necessary adaptations to the required preamble to the worked example?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
(c) that the fees and costs, as distinct from indirect costs, are the typical ongoing costs that apply to the product as required to be disclosed in the worked example?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
(d) that management costs are calculated in accordance with the definition in the enhanced fee disclosure regulations?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
(e) that the adapted format notes any establishment and withdrawal fees that may apply consistent with the prescribed content and format for the worked example?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
Note: ASIC states that if contributions are clearly not relevant, the adapted disclosure need not refer to contributions as would otherwise be required in the worked example. [RG 97.204]			
409. Where the issuer has adapted the disclosure:	<input type="checkbox"/> N/A		
(a) does the adapted disclosure provide a clear, concise and effective description of the annual application of fees and costs for the product?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
(b) does the PDS make such disclosures as necessary to ensure it is not misleading or deceptive?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
[RG 97.205]			
Note: ASIC provides as an example: The fee and cost structure for a certain managed investment product may mean that in a typical ongoing year there are no fees and costs applied, but other fees and costs are applied at or towards the end of the product holding (eg harvest fees for agricultural schemes). In this case, ASIC would expect the adapted disclosure of the annual application of fees and costs to clearly refer to these so that the description of the cost-			

Question	Answer	Where?	Reference / Comment
<i>free typical ongoing year refers to these later fees and costs. [RG 97.206]</i>			
Changes in fees			
410. Is any statement in the PDS regarding changing fees consistent with the requirement to give at least 30 days' notice? [1017B(5)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Particular circumstances			
Disclosing fees and costs for a stapled security			
411. When a joint disclosure document is used for a stapled security, do all fees and costs information for both the managed investment and equity components of the security appear in a single fees and costs section?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS	
<p>Note 1: While this is not a legal requirement, ASIC considers it good practice.</p> <p>Note 2: ASIC states that a typical stapled security involves the stapling of an interest in a managed investment scheme to a share of a company. Stapled securities may be issued through separate disclosure documents or through a combined PDS/prospectus document.</p>			
[RG 97.207]			
412. Does the disclosure of fees and costs information relating to the managed investment component of the stapled security comply with enhanced fee disclosure regulations?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS	
<p>Note: ASIC states that applying the enhanced fee disclosure content and presentation requirement also to the equity component of the stapled security will reduce the risk of misleading or deceptive disclosure.</p> <p>This may mean providing consolidated fees and costs information for both the managed investment and equity components of the stapled security in the Fees and Costs Template, and then breaking down this information in the 'additional explanation of fees and costs' section of the joint PDS/prospectus.</p>			
[RG 97.209 – RG 97.210]			
Disclosing transaction-specific fees for a contributory mortgage scheme			
413. If the issuer of a contributory mortgage scheme has chosen to split the fee disclosure information by placing general fee information in a PDS and transaction-specific	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS	

Question	Answer	Where?	Reference / Comment
<p>fee information in a supplementary PDS, is all the fee information required by the enhanced fee disclosure regulations set out together in the supplementary PDS?</p> <p>[RG 97.211]</p> <p>Note: ASIC considers this good practice even though it might mean some repetition of general fee information in the supplementary PDS.</p>			
414. If the issuer of a contributory mortgage scheme uses a two-part PDS, is all the fee information required by the enhanced fee disclosure regulations set out together?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS	
[RG 97.212]			
Disclosing start-up and initial one-off fees or costs			
415. Are start-up and initial one-off fees or costs included in managements costs in the Fees and Costs Template, unless they fall within an exclusion?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS	
[RG 97.214]			
<p>Note 1: Start-up and initial one-off fees and costs can only be excluded from management costs if they fall within one of the exclusions are found in clause 102(2) of Schedule 10.</p> <p>Note 2: ASIC provides the example of agricultural schemes, some of which have a 'start-up' cost that is often tax deductible. Typically, this cost bundles some or all of the management costs for the scheme up-front. [RG 97.215]</p> <p>Note 3: In the November 2011 version of RG 97, ASIC's expressly notes that it considers the costs referred to in Note 2 above are management costs. [RG 97.60]</p> <p>Note 4: ASIC states that management costs are intended to capture all relevant costs involved in managing the fund or scheme and deriving an investment return. [RG 97.214]</p>			
416. Has the issuer omitted start-up and initial one-off fees or costs. directly charged into members' accounts, that are not typically ongoing fees from the annual example of fees and costs?[RG 97.216]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	
417. Has the issuer explained the start-up and initial one-off fees and costs that are not typically ongoing fees? [RG 97.216]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS	

Differential fees

Question	Answer	Where?	Reference / Comment
<p>418. If fees will be charged, rebated or waived differently between holders of the same class based on:</p> <p>(a) the total value of interests held in the scheme or the schemes and all or any other managed investment schemes operated by, investment life insurance products issued by or superannuation products issued by the responsible entity or a related body corporate; or</p> <p>(b) the holder having acquired their interests under a switching facility that involved the holder first withdrawing from a managed investment scheme operated by the responsible entity or a related corporate body,</p> <p>then is a statement of the basis upon which the differential fee will be calculated and which specifies the fees members will have to bear included in the PDS? [ASIC Corporations (Registered Schemes: Differential Fees) Instrument 2017/40]</p> <p>Note: Paragraph 6 of ASIC Instrument 2017/40 provides that differential fees must have been disclosed in a clear, concise and effective manner in any disclosure document or PDS required by the Act in relation to the scheme.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>419. If fees will be charged, rebated or waived to wholesale clients based on individual negotiation between the responsible entity and that client, is a statement of that fact included in the PDS? [ASIC Corporations (Registered Schemes: Differential Fees) Instrument 2017/40]</p> <p>Note: Paragraph 6 of ASIC Instrument 2017/40 provides that differential fees must have been disclosed in a clear, concise and effective manner in any disclosure document or PDS required by the Act in relation to the scheme.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>420. Have maximum fees under the constitution been disclosed together with the circumstances in which the maximum may be charged? [Reg 7.9.16N(2)(a), Clause 209 (I) of Part 2 of Schedule 10]</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Fees payable to a related body corporate

Question	Answer	Where?	Reference / Comment
421. Does the PDS disclose additional information about material amounts paid or payable to related parties of the issuer and an explanation for the basis of the payment?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Schedule to Part J - Content requirements under CO 14/1252

1. Consumer advisory warning:

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 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 (www.moneysmart.gov.au) has a managed funds fee calculator to help you check out different fee options.

Note: *The Consumer Advisory Warning must be located at the beginning of the fees section of the Product Disclosure Statement where fees or costs may be deducted from amounts to be held for members of the managed investment scheme. [CO 14/1252, para 6]*

2. The Fees and Costs Template for a multiple fee structure

Fees and other costs

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

Taxes are set out in another part of this document.

You have 2 different fee payment options:

- (a) to pay contribution fees upfront, at the time when you make each investment into the fund; or
- (b) to pay contribution fees later (for example, on the termination of your investment or by way of other increased fees).

Note: You may pay more in total fees if you choose to pay contribution fees later.

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

[If relevant] Fees and costs for particular investment options are set out on page [insert page number].

[Name of managed investment product]			
Type of fee or cost	Amount		How and when paid
	Option to pay contribution fees upfront	Option to pay contribution fees later	
Fees when your money moves in or out of the managed investment product			
<i>Establishment fee</i> The fee to open your investment			
<i>Contribution fee¹</i> The fee on each amount contributed to your investment			
<i>Withdrawal fee¹</i> The fee on each amount you take out of your investment			
<i>Exit fee¹</i> The fee to close your investment			
Management costs			
<i>The fees and costs for managing your investment¹</i> The amount you pay for specific investment options is shown at page [insert page number]			
Service fees²			

[Name of managed investment product]			
Type of fee or cost	Amount		How and when paid
Switching fee The fee for changing investment options			

1. This fee includes an amount payable to an adviser. (See Division 4, "Adviser remuneration" under the heading "Additional Explanation of Fees and Costs".)
2. *[If there are other service fees, such as advice fees or special request fees, include a cross-reference to the "Additional Explanation of Fees and Costs".]*

[202 of Part 2 of Schedule 10].

[CO 14/1252]

3. The Fees and Costs Template for a single fee structure

Fees and other costs

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

Taxes are set out in another part of this document.

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

[If relevant] Fees and costs for particular investment options are set out on page *[insert page number]*.

<i>[Name of managed investment product]</i>		
Type of fee or cost	Amount	How and when paid
Fees when your money moves in or out of the managed investment product		
<i>Establishment fee</i> The fee to open your investment		
<i>Contribution fee¹</i> The fee on each amount contributed to your investment		
<i>Withdrawal fee¹</i> The fee on each amount you take out of your investment		
<i>Exit fee¹</i> The fee to close your investment		
Management costs		
<i>The fees and costs for managing your investment¹</i> The amount you pay for specific investment options is shown at page <i>[insert page number]</i>		
Service fees²		
<i>Switching fee</i> The fee for changing investment options		

1. This fee includes an amount payable to an adviser. (See Division 4, "Adviser remuneration" under the heading "Additional Explanation of Fees and Costs".)
2. *[If there are other service fees, such as advice fees or special request fees, include a cross-reference to the "Additional Explanation of Fees and Costs".]*

[202A of Part 2 of Schedule 10]

[CO 14/1252]

4. Example of annual Fees and Costs for Managed Investment Products

Example of annual fees and costs for a balanced investment option or other investment option

This table gives an example of how the fees and costs in the *[insert name of balanced investment option or other investment option required by subclause 220(2)]* for this managed investment product can affect your investment over a 1 year period. You should use this table to compare this investment product with other managed investment products.

EXAMPLE — <i>[insert name of balanced investment option or other investment option required by subclause 220(2)]</i>		BALANCE OF \$50 000 WITH A CONTRIBUTION OF \$5 000 DURING YEAR
Contribution Fees	0-4%	For every additional \$5 000 you put in, you will be charged between \$0 and \$200.
PLUS Management Costs	1.3%	And , for every \$50 000 you have in the <i>[insert name of balanced investment option or other investment option required by subclause 220(2)]</i> you will be charged \$650 each year.
EQUALS Cost of <i>[insert name of balanced investment option or other investment option required by subclause 220(2)]</i>		<p>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 from:</p> <p style="text-align: center;">\$650 to \$850*</p> <p>What it costs you will depend on the investment option you choose and the fees you negotiate.</p>

* Additional fees may apply:

Establishment fee — \$50

And, if you leave the fund early, you may also be charged **exit fees** of between 0 and 5% of your total account balance (between \$0 and \$2 500 for every \$50 000 you withdraw)

[Clause 212 of Part 2 of Schedule 10]

[CO 14/1252]

Part K - Investments

Question	Answer	Where?	Reference / Comment
Labour standards or environmental, social or ethical considerations			
<p>Note 1: The following section applies even if a product does not promote or market itself as taking these standards and considerations into account. However, the more a product is marketed on the basis that such matters are taken into account in investment decisions, the more detail the issuer has to give about the standards or issues it has taken into account and how they are employed.</p> <p>Note 2: If a product has multiple investment options, the PDS must include the requirements set out in questions 423 to 436 for each investment option. [RG 65.26]</p>			
422. Is the section regarding labour standards or environment, social or ethical considerations disclosed in the investment strategy section of the PDS?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>Note: ASIC states that it may, in addition, appear elsewhere – for example, in a general information section.</p> <p>[RG 65.48]</p>			
Statement disclosing if standards or considerations are taken into account			
423. Does the PDS include, for the product or each investment option within the product:			
(a) a statement that the trustee does, or does not, take into account labour standards for the purpose of selecting, retaining or realising the investment within the product?	<input type="checkbox"/> Yes <input type="checkbox"/> No N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[Reg 7.9.14C(a)]			
(b) a statement that the trustee does, or does not, take into account environmental, social or ethical considerations for the purpose of selecting, retaining or realising investments within the product?	<input type="checkbox"/> Yes <input type="checkbox"/> No N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>[Reg 7.9.14C(b)]</p> <p>Note: Where labour standards or environmental, social or ethical considerations are not taken into account when selecting, retaining or realising an investment, the PDS must explicitly state this. [RG 65.22]</p>			
424. If the issuer advertises or promotes themselves on the basis of their consideration of such matters, does the PDS include more detail about what exactly it takes into account and how?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
[RG 65.61]			
425. If the issuer does consider these standards and considerations to the extent they impact on the financial value of an investment, but does not advertise or promote themselves on the basis of their consideration of such matters, does the PDS not overstate how far it takes into account any of these issues?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: ASIC states that an impression should not be created that there is a greater focus than exists in reality.			
[RG 65.62]			
426. If the issuer does not take into account all of these standards or considerations, does the PDS clearly set out which of these standards or considerations are and are not taken into account?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: ASIC provides as an example, if the issuer only takes into account what it regards as environmental, social or ethical considerations, disclosure must not give the misleading impression that it also takes into account labour standards.			
[RG 65.37]			
427. Does the PDS disclose how far labour standards or environmental, social or ethical considerations are taken into account wherever such matters are considered in selecting, retaining or realising investments issued to retail clients?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 65.29]			
428. Where all or part of the investment decisions is delegated to others (eg. to an investment manager or by way of investment by the trustee into an underlying product) does the PDS make it clear to a client:	<input type="checkbox"/> N/A		
(a) who is making the decisions relating to labour standards or environmental, social or ethical considerations? [RG 65.30]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) the degree to which reliance is placed on information provided by others? [RG 65.30]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
(c) include a statement for the product or each investment option within the product that the investment manager or underlying issuer does, or does not, take into account labour standards for the purpose of selecting, retaining or realising the investment? [Reg 7.9.14C(a)]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(d) include a statement for the product or each investment option within the product that the investment manager or underlying issuer does, or does not, take into account environmental, social or ethical considerations for the purpose of selecting, retaining or realising the investment? [Reg 7.9.14C(b)]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>Note 1: ASIC provides two examples of underlying products:</p> <p>(a) interests in a managed investment scheme; and</p> <p>(b) an investment-linked insurance policy issued by a life insurance company.</p> <p>Note 2: ASIC states that if the product issuer does not itself take account of these standards or considerations and does not retain ultimate responsibility for investment decisions made by others, there is no requirement for the issuer to make any disclosures about these standards or considerations, other than to explicitly state they are not taken into account.</p> <p>[RG 65.31]</p>			
429. Where the issuer has used an external provider or ratings mechanism, does the PDS:	<input type="checkbox"/> N/A		
(a) identify the external provider?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) state where clients can find out more about the external provider's approach?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) provide the client with enough information about the approach of the external provider or ratings mechanism for the client to have a general understanding of the approach taken?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>Note: ASIC states that this is subject to section 1013K. Under this section, a PDS must</p>			

Question	Answer	Where?	Reference / Comment
<i>only include a statement made by a person, or a statement made in the PDS to be based on a statement made by a person, if certain requirements are met (in particular, consent of the person who made the statement).</i>			

[RG 65 Table 2]

Statement describing standards and considerations taken into account

430. If the PDS includes a statement that **labour standards or environmental, social or ethical considerations** are taken into account for the purpose of selecting, retaining or realising investments for the product or an investment option within the product, does the PDS include a statement outlining, for the product or the relevant investment option(s):
- (a) the standards that the trustee, investment manager or underlying issuer considers to be **labour standards** for that purpose?
- ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A
- (b) the considerations that the trustee, investment manager or underlying issuer regards as **environmental, social or ethical considerations** for that purpose?
- ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A

[Reg 7.9.14C(c)(i) and (d)(i)] [RG 65.38]

Note: When making this disclosure, ASIC envisage that product issuers will use the terminology in the law (i.e. labour standards, environmental considerations, social considerations or ethical considerations), even if they also use other terms to describe some or all of these factors (e.g. sustainability issues). Such an approach will help promote comparison between products.

[RG 65.55]

431. If the trustee, investment manager or underlying issuer has no predetermined view about what it regards to be a **labour standard**, or an **environmental, social or ethical consideration**, does the PDS clearly state this? [RG 65.39]
- ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A

Statement regarding the extent to which standards and considerations are taken into account

432. If the PDS includes a statement that **labour standards or environmental, social or ethical considerations** are taken into account for the purpose of
- ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A

Question	Answer	Where?	Reference / Comment
<p>selecting, retaining or realising investments for the product or an investment option within the product, does the PDS include a statement outlining, for the product or the relevant investment option(s):</p> <p>Note: <i>For example, a PDS may say that the fund manager will lobby companies in which investments are made to further certain labour, environmental, social or ethical goals, or that the fund will only invest in companies that follow certain labour practices or have no association with certain environmental, social or ethical activities. [RG 65.41]</i></p>			
(a) the standards that the trustee, investment manager or underlying issuer considers to be labour standards for that purpose?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) the considerations that the trustee, investment manager or underlying issuer regards as environmental, social or ethical considerations for that purpose?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[Reg 7.9.14C(c)(i) and (d)(i)] [RG 65.38]			
<p>433. If the trustee, investment manager or underlying issuer has no predetermined view about how far labour standards or environmental, social or ethical considerations will be taken into account (ie there is no specific methodology), does the PDS clearly state this? [RG 65.43]</p> <p>Note: <i>ASIC provides as an example, that a PDS may say that the issuer has no predetermined view other than it takes into account labour standards or environmental, social or ethical considerations it may become aware of, but only to the extent that they financially affect the investment.</i></p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>434. If the extent to which labour standards or environmental, social or ethical considerations are taken into account in a product (or each investment option within a product) varies between asset classes, does the PDS disclose:</p>	<input type="checkbox"/> N/A		
(a) the benchmark percentage of the investment product each asset class makes up?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>Note: <i>ASIC states an example, '20% is invested in property, 40% in Australian shares and 40% in international shares'. [RG 65.28]</i></p>			

Question	Answer	Where?	Reference / Comment
(b) the nature and extent of the variation?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: ASIC states an example, 'The environmental considerations listed are only considered for Australian and international shares. We do not apply them to our property investments.' [RG 65.28]			
(c) either:			
(i) the methodology for taking the standards or considerations into account where one exists? or	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) the absence of a methodology, if there is none?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(d) if a methodology for taking the standards or considerations into account exists:	<input type="checkbox"/> N/A		
(i) either:			
(A) a general description of how adherence to the methodology for taking such standards into account will be monitored or reviewed? or	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(B) a statement that you have no set approach to monitoring or reviewing?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) either:			
(A) the timeframe for monitoring or reviewing investments? or	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(B) a statement that there is no set timeframe? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(iii) either:			

Question	Answer	Where?	Reference / Comment
(A) a general description about what will or may occur when an investment no longer matches the stated investment policy and within what timeframe? or	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(B) if there is no predetermined view about this, a clear statement that the approach is determined case by case, or the timeframe is not fixed?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(e) where a weighting system is used:	<input type="checkbox"/> N/A		
(i) the weight given to the standards? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) a general description of the weighting system?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: ASIC states that in most cases, you will not need to disclose specific details of very complex weighting systems that vary by sectors, but you may wish to consider referring clients to a secondary source for more detailed information about weightings or weightings systems used. [RG 65 Table 2]			
[RG 65.40; RG 65.42; RG 65.44; RG 65.40; RG 65.42; RG 65.28]			
435. If a PDS claims investment decisions are based on objectives associated with labour standards or environmental, social or ethical considerations, does the PDS either:	<input type="checkbox"/> N/A		
(a) disclose at least some ways of measuring the extent that such objectives are met? or	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) disclose the fact that the issuer uses no specific measures?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: ASIC provides as an example, if a PDS states that the product issuer only invests in companies with good labour relations, they must either also mention at least some of the criteria by which they (or an			

Question	Answer	Where?	Reference / Comment
external provider or ratings mechanism) measure this, or make it clear there are no specific criteria or mechanisms used for measuring this.			
[RG 65 Table 2]			
436. Does the PDS adequately explain the policies or approaches used, such that no claims are misleading or deceptive?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note 1: ASIC states this includes adequately explaining, where relevant, that a policy or approach is subject to qualification.			
Note 2: ASIC provides the following example: If a claim is made that no investment is made in companies associated with product X, the disclosure should clarify what associations this negative screen captures. For example, is the negative screen limited to companies that are directly associated with product X (e.g. they manufacture, mine or grow it) or does it extend to companies that have indirect associations with it (e.g. they transport or retail it)? Also, does the negative screen look at the parent or subsidiaries of companies?			

[RG 65 Table 2]

Past performance information			
437. If past performance information is shown, is it free from misleading or deceptive representation that may arise from:	<input type="checkbox"/> N/A		
(a) the currency of past performance information?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) the length of time a product or investment strategy has been in existence or the investment period selected?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) the periods for which past performance information is shown?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(d) whether the past performance information is shown in accordance with industry standards, eg FSC Standard No. 6.00 'Product Performance - Calculation of Returns'?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(e) any explicit or implicit suggestion of a link between past performance and future prospects?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
(f) the use of hypothetical or reconstructed past performance figures?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(g) changes in the state of the market such that returns in the short to medium term are likely to be significantly less than the past performance being quoted?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(h) changes in the method or mechanism by which the investment strategy is implemented?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>[RG 168.145]</p> <p>Note: FSC members must comply with the requirements of ASIC's Guide on the Use of Past Performance in Promotional Material when preparing a PDS. [FSC Standard 10.00, para 9.1]</p>			
438. If past performance information is included in the PDS, is it accompanied by a prominent warning that past performance is not necessarily a guide to future performance? [RG 168.146]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>Note 1: This warning should not be in the footnotes or in a small font and should be located near the past performance information. [ASIC Report 214.49]</p> <p>Note 2: The IWG recommends that where there is a risk of costs materially changing in the future, a warning such as "Past costs are not a reliable indicator of future costs" should be included. [RG 97 Industry Working Group Guidance page 57]</p>			
439. If past performance is included in the PDS, is it shown for standardised periods (eg 1, 3, 5 and 10 years)? [RG 168.85, RG 53]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
440. If the PDS refers to a benchmark:	<input type="checkbox"/> N/A		
(a) does the issuer have a reasonable basis for selecting the benchmark? [769C]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) if performance information is included in the PDS, does the PDS also show performance against the benchmark? [RG 53.16.1]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
441. If past performance information is included in the PDS and the issuer is an FSC member:	<input type="checkbox"/> N/A		

Question	Answer	Where?	Reference / Comment
(a) are actual fund returns kept / shown separately from non-actual returns for the purpose of creating a fund history?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) is there full disclosure of the methodology used to calculate returns?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) is the following terminology used when presenting returns:	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(i) Total Returns?	<input type="checkbox"/> N/A		
(ii) Growth Return?			
(iii) Distribution Return?			
[FSC Standard No. 10.00, para 10.3]			
442. Have you calculated total returns in accordance with FSC Standard No. 6.00 'Product Performance - Calculation of Returns'?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		
443. If the product is a retail scheme, do total returns and growth returns reflect the maximum ongoing fees on a \$10,000 investment or the minimum application amount if higher?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		
[FSC Standard No. 6.00 'Product Performance - Calculation of Returns']			
444. If the product is a wholesale scheme, do total returns and growth returns reflect the maximum ongoing fees on a \$100,000 investment?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		
[FSC Standard No. 6.00 'Product Performance - Calculation of Returns']			
445. If:	<input type="checkbox"/> Yes		
(a) scheme's investments are not restricted to cash and/or mortgages; and	<input type="checkbox"/> No <input type="checkbox"/> N/A		
(b) the rate of return relates to a period of less than 1 year;			
is the rate of return calculated as a non-annualised return figure?			
[FSC Standard No. 6.00 'Product Performance - Calculation of Returns']			

Question	Answer	Where?	Reference / Comment
Note: <i>Where the scheme's investments are restricted to cash and/or mortgages the rate of return may be annualised.</i>			
Information on asset classes			
446. Does the PDS contain sufficient information on each asset class invested in, including defining terms which may otherwise be generic (eg 'growth', 'defensive', 'multi-strategy' and 'cash')? [ASIC Report 214.35 and 214.36]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
447. If an asset class is listed as 'property', does the PDS state whether the property is listed or unlisted and whether the property is Australian or overseas? [ASIC Report 214.36]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Part L - Prospective financial information

ASIC states that prospective financial information should only be included in a disclosure document where that information is **relevant** to its audience and **reliable**.

ASIC states that an issuer must decide whether prospective financial information needs to be disclosed based on whether a person would reasonably require that information to decide whether to acquire the product or to make an informed assessment about the product based. ASIC states that the reliability of information is based on:

- (a) the nature and extent of the obligation to make disclosure;
- (b) the information value of what is being disclosed by ensuring there are 'reasonable grounds' for the inclusion of the information; and
- (c) the risk that the disclosure might be misleading.

ASIC notes that the less reliable information is, the less relevant it becomes to investors, and the less likely it is that it should be included in the disclosure document.

[RG 170.9-11] [1013D]

Questions	Answer	Where?	Reference / Comment
Reasonable grounds			
448. Is there a proper basis for any forward-looking statements? [769C]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		
449. Are there reasonable grounds for any prospective statements about financial information that are included in the PDS? [RG 168.144] [1013E]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>Note 1: ASIC notes that the less reliable information is, the less relevant it becomes to investors, and the less likely it is that it should be included in the PDS. [RG 170.11]</p> <p>Note 2: ASIC states that a statement about any future matter is misleading or deceptive if the maker does not have reasonable grounds for making it. ASIC also provides the example that a statement about prospective financial information based on a number of hypothetical assumptions is unlikely to be based on reasonable grounds. [RG 168.144]</p>			
Assumptions			
450. Does the PDS specifically disclose any assumptions used in compiling the prospective financial information that materially affect the forecast outcome?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>Note 1: ASIC states that the assumptions should be detailed and specific enough to enable the investor to work through all of the prospective financial information.</p> <p>Note 2: ASIC states that this includes assumption about expenditures, revenues, inflation rates and other such variables, and should be clearly disclosed, and highlighted where different assumptions have been used for different parts of the term that the prospective financial information covers.</p>			

Questions	Answer	Where?	Reference / Comment
[RG 170.61]			
451. Do the assumptions included in the PDS enable the investors to assess:			
(a) the validity of the assumptions on which the prospective financial information is based?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) the likelihood of the assumptions actually occurring? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) the effect on the prospective financial information if the assumptions vary?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 170.62]			
452. If the PDS includes prospective information, does it disclose material assumptions about:			
(a) specific future economic conditions? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) particular circumstances affecting a company or financial product and the industries relevant to that company or financial product?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: ASIC states that the quantum of the assumption must also be set out.			
[RG 170.63]			
453. Does the disclosure of the material assumptions allow an investor or adviser to make an informed assessment of the product's prospects, or a person as a retail client to make an informed decision whether to acquire the product?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 170.64]			
Impact of assumptions			
454. Does the PDS include an assessment of the impact of these assumptions on prospective financial information?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 170.65]			
Note: ASIC states that when disclosing the assumptions the issuer does not have to:			
(a) state general assumptions, such as the absence of war or natural disasters, unless the forecast takes these events into account; or			
(b) disclose assumptions that would not materially affect the prospective financial information. [170.65]			
455. Is the information about assumptions, and other matters underlying prospective financial	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Questions	Answer	Where?	Reference / Comment
information, in the same part of the PDS as the prospective financial information itself?			
[RG 170.85]			
Presentation of assumptions			
456. Are the assumptions presented:			
(a) in a way that investors are not likely to overlook them?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
(b) prominently, and displayed immediately after the information, or in a way that ensures that an investor is made aware of the existence, nature and quantity or amount of the assumptions and limits at the time they read it? and	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
(c) not less prominently than the prospective financial information?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
[RG 170.85][RG 170.86]			
Sensitivity analysis			
457. Does the disclosure about the assumptions include a sensitivity analysis that shows the impact of a change on significant assumptions to highlight the importance of those assumptions in calculating the prospective financial information?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
[RG 170.69]			
Time Period			
458. Do the assumptions provided in respect of prospective financial information over a given period also include an explanation why a particular period was selected?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
Note: ASIC states that for periods affected by cyclical or seasonal factors, or income support guarantees that will expire after the period, the issuer must ensure that the reader is not misled about how representative the period is likely to be. If there are specific considerations that affect a chosen period, those matters should be disclosed.			
[RG 170.72]			
459. Is the prospective financial information based on the financial year of the issuer?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
Note 1: ASIC states that this allows investors to compare results with previous year financial result and so that periods are not selected to create a misleading impression.			
Note 2: ASIC states that if reliable prospective financial information can only be reasonably stated for part of a financial year, it can be made for that part only.			

Questions	Answer	Where?	Reference / Comment
[RG 170.73][RG 170.74]			
Technical terms			
460. Does the PDS avoid using technical terms like 'forecast' that may imply that their contents are calculated in accordance with auditing or accounting standards?		<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: ASIC states that issuers should ensure that the use of any technical terms is adequately explained in a PDS, is consistent with its usage throughout the document, and is not misleading.			
[RG 170.89]			
Risks to prospective financial information			
461. Does the PDS indicate, in an unambiguous and unequivocal form, what factors may lead to a significant difference between the prospective financial information and the actual results?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 170.75]			
462. Does the PDS include risks associated with a particular asset class for the financial product?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: ASIC states an example of such a risk being the volatility of share prices or the fact taxation deductions may be disallowed for scheme interests subject to a product ruling.			
[RG 170.76(a)]			
463. Does the PDS include risks specific to the proposed investment strategy?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note 1: ASIC states examples of such risks being the risks associated with particular investment plans or investing in emerging industries. [RG 170.76(b)] Note 2: ASIC states that in the absence of these warnings relating to risk, prospective financial information may have a greater capacity to be misleading. [RG 170.77]			
Methodology, accounting and industry standards			
464. Does the PDS disclose the material details about the enquiries and research undertaken and the process followed in preparing the prospective information?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 170.78]			
465. If the PDS includes financial information that is not prepared in accordance with accounting or industry standards, does the PDS include:	<input type="checkbox"/> N/A		
(a) the reasons for any departure from current accounting or industry standards that apply?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Questions	Answer	Where?	Reference / Comment
(b) the reason a particular accounting or industry standard is applied in a particular way when there is some discretion involved? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) the reason a particular accounting or disclosure treatment is adopted when current practices differ among relevant professionals?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 170.79]			
466. Where non-statutory financial information is included in a PDS, does it also include with sufficient prominence, the corresponding information that is prepared in accordance with the recognition and measurement requirements of accounting standards?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: 'Non-statutory financial information' is any financial information, financial figure, measure or ratio that is prepared on a basis that is not in accordance with all relevant accounting standards.			
[RG 170.80]			
467. Does the PDS include a statement about the effects of any chosen accounting treatment on the prospective financial information?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: ASIC states that the effects should be disclosed in enough detail for investors to properly assess the information.			
[RG 170.81]			
Experts			
468. If an expert adopts a particular methodology in preference to others when preparing prospective financial information, are the experts reasons for choosing this methodology explained?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 170.82]			
Use of ranges			
469. If prospective financial information is expressed as a range, is the range small enough to give meaningful information about an issuer's prospects?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 170.88]			
470. If prospective financial information is expressed as a range, does the PDS state which variables will have a significant effect on the outcome within the range?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: ASIC states that it may be misleading to include a range when the maker expects the results to be at the lower end of the range.			
[RG 170.88]			

Questions	Answer	Where?	Reference / Comment
471. If prospective financial information is expressed as a range, is the link between the assumptions and the upper and lower ends of the range made clear ?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>[RG 170.88]</p> <p>Note: <i>It may be appropriate to express prospective financial information as a statement, that a result of at least a specific amount is likely, rather than as a range.</i></p> <p>[RG 170.88]</p>			
472. If prospective financial information is expressed as a range, has the issuer ensured that prominence is not given to a more favourable figure or fact in the forecast range?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>[RG 170.86]</p>			
Warning about reliability of prospective financial information			
473. Does the PDS include a warning so that a reader of the document will understand its predictive character and the risks in placing undue reliance on the prospective financial information?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>[RG 170.91] [RG 168.91]</p>			
474. Does the PDS include unambiguous statements clarifying that the prospective financial information:	<input type="checkbox"/> N/A		
(a) is predictive in character?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) may be affected by inaccurate assumptions or by known or unknown risks and uncertainties? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) may differ materially from results ultimately achieved?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(d) should not be relied on as indicative of future performance	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>Note: <i>ASIC states that the use of warnings and other cautionary language will not always be sufficient to prevent particular information being misleading and importantly will not, of itself, affect the requirement for there to be reasonable grounds to state the information.</i></p> <p>[RG 170.93 – 170.94] [RG 168.91(b)]</p>			
475. Is any cautionary language (question 474) that is used displayed together with the prospective financial information or otherwise in a manner sufficiently prominent to ensure that a reader of the PDS will be no less likely to view it than the prospective financial information itself?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Questions	Answer	Where?	Reference / Comment
[RG 170.92]			
In the absence of prospective financial information			
Note: <i>If prospective financial information is not included in a PDS, there must still be adequate disclosure about the benefits and risks of the financial product.</i>			
476. If prospective financial information has not been included because there are no reasonable grounds for it, does the PDS include a statement to that effect?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 170.20]			
Note 1: <i>ASIC notes that disclosure may still be needed on certain matters to meet the requirements of the Corporations Act. For example the significant benefits and features may include anticipated acquisitions, product development and market share and certain historical price or yield information (making sure that investors will not think it is a guarantee of future performance).</i>			
Note 2: <i>ASIC suggests that if prospective financial information has not been included because there are no reasonable grounds for it, an issuer should consider inserting a statement to that effect.</i> [RG 170.20]			
Start-up ventures			
477. In the case of start-up ventures and where there are reasonable grounds for establishing future costs, does the PDS disclose:	<input type="checkbox"/> N/A		
(a) the likely rate of expenditure for the venture?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) if and when further funds will be required to continue business operations? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) how those funds might be raised?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 170.49]			

Part M - IDPS-like schemes content requirements

Do you need to complete Part M?

This section is only for platform operators that are responsible entities of IDPS-like schemes that are issuers of investments available through platforms, and people who provide financial product advice on platforms.

IDPS-like schemes operate similarly to IDPSs in that investment decisions are generally made in accordance with specific member instructions, but are registered managed investment schemes (registered schemes).

If this does not apply, please move to Part N.

[RG 148.148] [CO 13/762]

Question	Answer	Where?	Reference / Comment
Specific disclosures			
478. Does the PDS include such information as a person acquiring an interest in the scheme would reasonably require to understand any differences between the rights of a holder of accessible investments and the rights of a member of the scheme in respect of accessible investment, including information on:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(a) cooling-off rights? (also see below) and	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[1013DAB (1)(a)(i) CO 13/762]			
(b) voting rights, including the platform operator's voting policy and practices? (also see below) and	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[1013DAB (1)(a)(ii) CO 13/762] [RG 148.56, 148.159]			
(c) withdrawal rights under section 1016E in relation to accessible securities and accessible financial products? (also see below)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[1013DAB (1)(a)(iii) CO 13/762] [1016E]			
Note 1: ASIC Class Order 13/762 includes the following definitions:			
accessible investments means assets that may be held through an IDPS-like scheme, including accessible securities and accessible financial products.			
accessible securities means securities that may be held through an IDPS-like scheme.			
accessible financial products means financial products (other than securities) that may be held through an IDPS-like scheme.			

Question	Answer	Where?	Reference / Comment
Note 2: ASIC states that this question relates to the differences between the rights and entitlements available to investors who invest through those who invest directly. [CO 13/762] [RG 148.148]			
479. Does the disclosure noted in question 478 cover:			
(a) what the rights are?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) the differences in entitlement to these rights including whether these rights are available to platform investors?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) the implications for investors where the rights are not available to them as an investor through the platform?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 148.149]			
480. Does the PDS disclose (as relevant) that cooling-off rights may not be available to investors who have acquired their interest through the platform?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: ASIC notes that it may be necessary for the platform operator to explain that:			
(a) direct retail clients in certain financial products may have cooling-off rights under s1019B of the Corporations Act;			
(b) cooling-off rights are typically not available to investors in a platform; and			
(c) the lack of statutory cooling-off rights is of particular importance for those financial products that have only infrequent or restricted redemption windows.			
[RG 148.155]			
Withdrawal rights			
481. Does the PDS disclose that withdrawal rights for financial products acquired through the platform may not be available where a PDS for the accessible investment becomes defective before issue?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 148.157]			
482. Does the PDS disclose that where a PDS becomes defective before issue, the product issuer is not required to:			

Question	Answer	Where?	Reference / Comment
(a) return the investment? or	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	
	<input type="checkbox"/> N/A		
(b) provide the investor with other options such as notification of an option to withdraw pursuant to s1016E of the Corporations Act?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	
	<input type="checkbox"/> No	<input type="checkbox"/> IBR	

[RG 148.157]

483. Does the PDS state that the platform operator will, where practicable:

(a) ensure that any notification of the option to withdraw and any accompanying disclosure they receive is given to investors who may have had a right to exercise a withdrawal option if they had acquired the relevant financial products or securities directly as soon as possible, but no later than five days from when the platform operator received such notification?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS
	<input type="checkbox"/> No	<input type="checkbox"/> IBR
(b) give investors access to any supplementary or replacement disclosure and inform them of how it may be accessed? and	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS
	<input type="checkbox"/> No	<input type="checkbox"/> IBR
(c) act on the investor's instructions as to how to exercise the option (if provided)?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS
	<input type="checkbox"/> No	<input type="checkbox"/> IBR

[RG 148.158]

484. Does the PDS include information about:

(a) whether withdrawal requests are allowed for by the scheme's constitution?	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS
	<input type="checkbox"/> No	<input type="checkbox"/> IBR
	<input type="checkbox"/> N/A	
(b) and, if so:	<input type="checkbox"/> N/A	<input type="checkbox"/> PDS
(i) how a withdrawal request will be dealt with under the constitution where the request relates to an accessible investment which is subject to a minimum holding requirement?	<input type="checkbox"/> Yes	<input type="checkbox"/> IBR
	<input type="checkbox"/> No	

Question	Answer	Where?	Reference / Comment
(ii) how giving effect to the request might otherwise adversely affect members other than the requesting member?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

[1013DAB (1)(f) CO 13/762]

Financial advice

485. Does the PDS include information about the consequences for a member if at any time the member has not engaged or retained a person, or a person meeting particular requirements, to provide:
- (a) financial product advice to the member in relation to the scheme?
or
- (b) instructions to the responsible entity in relation to accessible investments?
- including the ability of the member in such circumstances to:
- (c) provide instructions in relation to accessible investments? and
- (d) continue to be a member of the scheme?

- ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A
- ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A
- ☐ Yes ☐ PDS
☐ No ☐ IBR
- ☐ N/A
- ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A

[1013DAB (1)(b) CO 13/762] [RG 148.68, RG 148.115]

Dispute resolution

486. Does the PDS include such information as a person acquiring an interest in the scheme would reasonably require to understand how and to whom a member may make a complaint in relation to:
- (a) the operation of the scheme? and
- (b) accessible financial products held through the scheme? and
- (c) financial product advice provided to the investor in relation to the scheme that is not provided by or on behalf of the responsible entity?

- ☐ N/A ☐ PDS
☐ Yes ☐ IBR
☐ No
- ☐ Yes ☐ PDS
☐ No ☐ IBR
- ☐ Yes ☐ PDS
☐ No ☐ IBR

[1013DAB (1)(c) CO 13/762] [RG 148.67]

487. Does the PDS disclose that:

Question	Answer	Where?	Reference / Comment
(a) for complaints related to platform operation, the investor should approach the platform operator?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) for complaints related to investments acquired through the platform, investors should approach the product issuers or sellers?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) for complaints about financial product advice about using platforms and the investments acquired through them, investors should approach the AFS licensee for whom the relevant adviser was acting?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

[RG 148.161]

Notifications

488. Does the PDS include a statement about the member's right to disclosure in relation to accessible investments (including that a member will have the right to elect to receive copies of communications sent to holders of accessible investments, including those communications which the holder may elect to receive)?
- ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A

[1013DAB (1)(d) CO 13/762]

Product selection

489. Does the PDS include information about how the platform operator will select what financial products, or other investments are or will be made available through the platform, including the methodology applied and the factors considered for that purpose?
- ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A

[RG 148.163]

Voting

490. Does the PDS include a statement that copies of:
- (a) the responsible entity's policy on whether, and on what basis, it will exercise any voting rights arising from holding accessible investments?
and
- (b) the policy on the consequences for a
- ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A

Question	Answer	Where?	Reference / Comment
<p>member in relation to the circumstances outlined in question 485 above?</p> <p>are available free of charge and on request?</p> <p>[1013DAB (2) CO 13/762]</p>			
<p>491. Does the PDS clearly and prominently state the operator's voting policy, including information on voting practices on company and scheme resolutions and other corporate actions?</p> <p>[RG 148.159]</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>492. If the voting policy does not allow voting by investors in certain circumstances, or altogether, does the PDS prominently state this?</p> <p>Note: ASIC states that in these circumstances, the operator must disclose in the PDS that voting rights are not available when investing through the platform and include a consumer warning acknowledgment (see below).</p> <p>[RG 148.160]</p>	<input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>493. If the voting policy allows investors to vote, does the PDS include disclosure about the voting policy in relation to:</p> <p>(a) what actions the operator will take in response to company or scheme resolutions?, and</p> <p>(b) what rights (if any) the investor has in determining how a vote will be exercised?</p> <p>(c) how company and scheme resolutions and other corporate actions will be communicated to the investor as soon as practicable?</p> <p>[RG 148.57]</p>	<input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR <input type="checkbox"/> PDS <input type="checkbox"/> IBR <input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>494. Does the PDS state how investors can give voting instructions to the IDPS operator?</p> <p>Note 1: ASIC states that this may be in the form of an electronic webpage or a communications bulletin to advisers that act as agents for investors.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
[RG 148.154]			
<p>Note 2: This question includes information that ASIC considers important requirements for the voting policy of a platform operator. It is therefore likely that ASIC will expect such aspects of the voting policy to be disclosed in the IDPS guide as per question 492.</p>			
495. If the voting policy allows the investor to exercise their voting rights on company or scheme resolutions, does the IDPS Guide state:	<input type="checkbox"/> N/A		
(a) that the IDPS operator will give investors any information that they require about proposed company or scheme resolutions that is made available to them as soon as practicable?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) how such information will be given to an investor?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) the steps that will be taken once voting instructions have been communicated by an investor? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(d) whether any cost will be charged to an investor for exercising the voting rights?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 148.58]			
<p>Note: This question includes information that ASIC considers important requirements for the voting policy of a platform operator. It is therefore likely that ASIC will expect such aspects of the voting policy to be disclosed in the IDPS guide as per question 492.</p>			
PDSs			
496. If the PDS does not specify which investments may be accessed through the IDPS-like scheme, does the PDS include a statement that a separate document specifying those accessible investments will be provided on request without charge?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[1013DAB(2)(a), as notionally inserted by CO 13/762]			
Fees			
497. Does the PDS contain a prominent	<input type="checkbox"/> Yes	<input type="checkbox"/> PDS	

Question	Answer	Where?	Reference / Comment
statement to the following effect that? <i>"The total fees and charges you will pay will include the costs of this service as well as the cost of any investment you choose. It is important that you understand the fees of any investment you choose, and that those fees are in addition to the fees charged by us for the service, together with transaction and account costs incurred on your behalf. The costs of the investments you choose will generally be set out in a disclosure document or Product Disclosure Statement for the investments."</i>	<input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> IBR	
[1013DAB(2)(c), as notionally inserted by CO 13/762]			
Worked Example			
498. Does the PDS include worked examples of the cumulative effect of the total fees, charges and expenses for the platform, including the fees and costs for typical investments acquired through the platform?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: <i>The IWG recommends that the PDS include additional examples showing the total fees and costs of both the platform and the accessible financial products that may be acquired through the platform.</i> <i>[RG 97 Industry Working Group Guidance page 84]</i>			
[CO 13/762] [RG 148.167]			
499. Is the estimate of the total expressed as a proportion of the total price paid in acquiring the accessible securities and financial products through the scheme?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[CO 13/762]			
500. Does the responsible entity have reasonable grounds for believing that the estimates of the fees, charges and expenses are within the range typically charged for accessible securities and financial products of the relevant kind?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[CO 13/762]			

Question	Answer	Where?	Reference / Comment
501. Do the examples cover a range of accessible securities and financial products that may be acquired through the scheme (they need not refer to actual or identified accessible securities or financial products)?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[CO 13/762]			
502.			
Conflicts policy			
503. Does the PDS notify investors that the platform operator has in place a comprehensive conflicts of interest policy which specifies the measures the platform operator will take to identify, document and manage conflicts of interest?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 148.42] [912A(1)(aa)]			
504. Are any conflicts of interest that are existing in the operation of the platform fully and frankly disclosed in the PDS?			
Note: ASIC notes that conflicts of interest should be disclosed in the PDS whether or not they need to be avoided.			
[RG 148.44]			

Part N - Expert Reports

Do you need to complete Part N?

Only if all of the following apply:

- (a) the PDS contains an expert's report?
- (b) the expert does not have an AFSL authorising them to give general financial product advice to retail clients? and
- (c) the advice contained in the report is an opinion on matters other than financial products and does not include advice on a financial product?

Note: The regulation includes the example of a geologist's report on a mining lease included in a PDS.

Question	Answer	Where?	Reference / Comment
AFSL and advice warning			
505. Does the expert's report contain:			
(a) a statement that the expert is not operating under an AFSL when giving the advice?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) information about any remuneration (including commission) or other benefits that any of the following is to receive that might reasonably be expected to be or have been capable of influencing the expert in providing the report:	<input type="checkbox"/> N/A		
(i) the expert?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) a related body corporate of the expert?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(iii) a director or employee of the expert or a related body corporate?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(iv) an associate of any of the above?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) information about:			
(i) any other interests, whether pecuniary or not and whether direct or indirect, of the expert or of any associate of the expert?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
(ii) any associations or relationships between the expert or any associate of the expert and the issuers of any financial products?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(iii) that might reasonably be expected to be or have been capable of influencing the expert in providing the report?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[Reg 7.6.01(1)(u), 947B(2)(d) and (e)]			
506. If the PDS contains an expert's report and the expert does have an AFSL (or is an authorised representative) authorising them to give general financial product advice to retail clients:	<input type="checkbox"/> N/A		
(a) does the PDS clearly and prominently disclose the identities of:			
(i) the expert?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) the person for whom, or on whose behalf, the expert's report was prepared (expert's client)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(iii) the person who prepared the PDS or on behalf of whom the PDS is prepared (principal)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) does the PDS clearly and prominently disclose the nature of the relationship between:			
(i) the expert?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) the expert's client?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(iii) the principal?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) does the PDS clearly and prominently disclose the liability of the expert in relation to the likely audience of the PDS?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
(d) does the expert's report:			
(i) include the expert's Financial Services Guide (FSG) as a separate and clearly identifiable part of the report?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) form a separate and clearly identifiable part of the PDS?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(iii) bear an expression at or near the front or the beginning of the report that makes it clear that it is both an expert's report and a FSG?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

[ASIC Corporations (Financial Services Guides)
Instrument 2015/541]

Content of Expert Report

507. If the PDS contains an expert report, does the report:
- (a) clearly explain the meaning of the expert's opinion and the significance of that opinion to the decision to be made by security holders? and
- (b) highlight key information?
- ☐ N/A
- ☐ Yes ☐ PDS
☐ No ☐ IBR
- ☐ Yes ☐ PDS
☐ No ☐ IBR

[RG 111.84]

508. Is the expert report easy to navigate and understand?
- ☐ Yes ☐ PDS
☐ No ☐ IBR

Note: ASIC provides the following examples of navigational aids that may make an expert report easy to understand:

- an up-front summary of the expert's opinion and the reasons for the opinion;
- the use of content tables, signposting, cross-references, numbered sections, sub-sections; and
- the avoidance of jargon.

[RG 111.84]

509. Does the expert report avoid including information that is not directly related to the decision to be made by investors?
- ☐ Yes ☐ PDS
☐ No ☐ IBR

Question	Answer	Where?	Reference / Comment		
[RG 111.85]					
<p>Note: ASIC provides the following example:</p> <p><i>An analysis of the industry in which the company (i.e. the subject of the opinion) operates might be useful. However, copying material out of an industry research database may merely add to the length of reports. An expert should include an analysis of the material and relate the material directly to its opinion.</i></p> <p>[RG 111.86]</p>					
510. Does the expert report avoid using technical terms, where possible?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR			
[RG 111.87]					
511. If the expert report uses technical terms, does it use them consistently throughout the report, and consistently with the way they are used in the relevant industry?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR			
<p>Note: ASIC states that a glossary may be appropriate, especially when the definition or interpretation of specific terms is central to the report.</p> <p>[RG 111.87]</p>					
512. If the PDS contains a concise or short form expert report, has the commissioning party made a longer expert report containing additional, more technical or detailed information available on request, free of charge, or ensured that it is accessible online?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR			
[RG 111.88]					
<p>Note: ASIC provides the following examples of information that an expert might consider putting in and leaving out of a concise expert report.</p>					
<table border="1"> <tr> <td style="vertical-align: top;"> <p>Include in the concise expert report</p> </td> <td> <ul style="list-style-type: none"> • Expert's conclusion • Meaning of conclusion; • significance for the decision to be made; • Summary of reasons for conclusion; • Summary of valuation including: <ul style="list-style-type: none"> ○ methodologies used; ○ material assumptions; and ○ a justification of these; and • Financial Services Guide. </td> </tr> </table>				<p>Include in the concise expert report</p>	<ul style="list-style-type: none"> • Expert's conclusion • Meaning of conclusion; • significance for the decision to be made; • Summary of reasons for conclusion; • Summary of valuation including: <ul style="list-style-type: none"> ○ methodologies used; ○ material assumptions; and ○ a justification of these; and • Financial Services Guide.
<p>Include in the concise expert report</p>	<ul style="list-style-type: none"> • Expert's conclusion • Meaning of conclusion; • significance for the decision to be made; • Summary of reasons for conclusion; • Summary of valuation including: <ul style="list-style-type: none"> ○ methodologies used; ○ material assumptions; and ○ a justification of these; and • Financial Services Guide. 				

Question	Answer	Where?	Reference / Comment
Leave out of the concise expert report	<ul style="list-style-type: none"> • Industry overview; • Disclaimers; • Detailed financial information; • Detailed profile of parties to the transaction; • Qualifications, declarations (e.g. indemnities) and consents; • Detailed share price analysis; • Details of capital structure (e.g. shareholder spread and directors' relevant interests if not linked to the expert's analysis); and • List of previous ASX announcements. 		
513. Does the expert report set out the reasons (on reasonable grounds) for the expert's opinion?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 111.90]			
514. Does the expert report avoid including prospective financial information (including forecasts and projections) or any other statements or assumptions about future looking matters (together, 'forward looking information')?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 111.91]			
515. If the expert report does contain 'forward looking information', does the report set out all the information that may be required for users of the report to assess the reasonableness of the methodology and assumptions used, including:	<input type="checkbox"/> N/A		
(a) the nature of the information, its limitations and the reason for its inclusion in the report?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) the material inputs and assumptions used and the reason for using those assumptions?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(c) if applicable, the discount rate selected and rationale?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(d) the extent and nature of the adjustments made to the discounted cash flow (DCF) (if any) to allow for the development stage risks attaching to these cash	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
flows (whether through risk weighting cash flows, adjustments to discount rates or other methods)?			
(e) the extent of inquiries and research undertaken by the expert and the compiler of that information?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(f) the technical and financial qualifications of the expert and the compiler in relation to the relevant industry and asset? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(g) the specific period to which the information relates and the reason for the use of that period?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[RG 111.100]			
Note 1: ASIC states that any 'forward looking information' must be made on reasonable grounds, otherwise the opinion will be misleading under s 670A(2) of the Corporations Act.			
Note 2: ASIC also provides that full disclosure of the types of matters raised in this question and any other risk disclosure, warnings or cautionary language does not affect the requirement for forward-looking information to be based on reasonable grounds. It will also not prevent particular information from being misleading.			
[RG 111.95 & 101]			
516. Does the expert report avoid using disclaimers?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: ASIC states that the purpose of an expert report is to give security holders an assessment on which they can rely. A disclaimer defeats this purpose.			
[RG 111.107]			
517. Does the expert report disclose to security holders (to the extent necessary to help them assess what weight to give to reports):			
(a) the source of the material used in the reports?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) the inquiries made by the expert?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

Question	Answer	Where?	Reference / Comment
(c) any unacceptable or unusual time constraints the expert worked under?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(d) whether the expert is dissatisfied with the quality of the information used for the report?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(e) whether any concerned party to the relevant transaction has refused to provide adequate access to information or explanations, if the information or the explanations might have impacted on the report's conclusions?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

[RG 111.116]

Independence of Expert

518. Does the PDS clearly inform investors about any relationships or interests (including financial or other interests) that could reasonably be regarded as relevant to the independence of the expert?
- ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A

[RG 112.28]

519. Does the expert report prominently disclose:
- (a) the business or professional relationships with a commissioning party or any other interested party?
- ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A
- (b) any financial or other interest that could reasonably be regarded as capable of affecting the expert's ability to give an unbiased opinion on the matter being reported on?
- ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A
- (c) any fee or benefit (whether direct or indirect) to be received in connection with the report?
- ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A

Note: ASIC states that these disclosures should relate to relationships or interests existing at the time of preparation of the report or existing in the previous two years. This two year period is a minimum period for disclosure and earlier relationships might be so significant that they warrant disclosure as well.

[RG 112.31]

520. Are the disclosures made in respect of question 519 prominent, specific and meaningful?
- ☐ Yes ☐ PDS
☐ No ☐ IBR

Question	Answer	Where?	Reference / Comment
<p>Note 1: ASIC states that an expert should not use 'boilerplate' disclosures (e.g. that the expert has been paid a 'normal professional rate')</p> <p>Note 2: Fee disclosure should disclose the actual fees paid to the expert for the report.</p> <p>[RG 112.34]</p>			
521. Where a draft report was provided to the commissioning party and alterations are consequently made to the report at the suggestion of the commissioning party or its advisers, and the alteration/s affects the expert's analysis or conclusions in the report, are these alterations disclosed?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
<p>Note 1: ASIC states that this should include an explanation of the changes, the reasons why the expert considered the changes appropriate, and the significance of the changes to the expert's opinion.</p> <p>Note 2: ASIC states that minor factual corrections made at the suggestion of the commissioning party or its advisers that are immaterial to an expert's analysis, conclusions or opinion need not be disclosed in the report.</p> <p>[RG 112.52]</p>			

Part O - Other

Question	Answer	Where?	Reference / Comment
Consents			
522. If the PDS includes a statement made by a person, or a statement said in the PDS to be based on a statement made by a person:	<input type="checkbox"/> N/A	<input type="checkbox"/> N/A	
(a) has the person consented to the statement being included in the PDS in the form and context in which it is included? [1013K(1)(a)]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
(b) does the PDS state that the person has given this consent? [1013K(1)(b)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: While this statement can be incorporated by reference, we recommend that this statement be included together with the statement to which it relates.			
(c) has the person not withdrawn this consent before the date of the PDS? [1013K(1)(c)]	<input type="checkbox"/> Yes <input type="checkbox"/> No		
Note 1	<i>Example given in RG 55 Statements in disclosure documents and PDSs: Consent to quote is: 'Consultant Pty Ltd has given its written consent to all statements by it or said to be based on statements by it in the form and context in which they are included, and has not withdrawn this consent as at the date this prospectus is lodged with ASIC. The statements are in sections 4.1, 4.2 ... of this prospectus' [RG 55.46]</i>		
Note 2	ASIC Corporations (Consents to Statements) Instrument 2016/72 provides relief from the requirement for consents to quote credit ratings, trading data and geological reports in certain circumstances. Consent is not required in relation to a statement which:		
(a)	fairly represents what purports to be a statement made by an official person; or		
(b)	is a correct and fair copy of, or extract from, what purports to be a public official document; or		
(c)	is a correct and fair copy of, or extract from, a statement which:		
(i)	has already been published in a book, journal or comparable publication; and		
(ii)	was not made in connection with the issuer, its business, or the promotion the subject of the PDS or any property to be acquired by the issuer which is the subject of the PDS.		

Question	Answer	Where?	Reference / Comment
[ASIC Corporations (Consent to Statements) Instrument 2016/72, Para 8]			
Transaction confirmation facility			
523. If transaction confirmations are only provided by means of a standing facility, does the PDS include information about the facility and its availability to clients as a means of obtaining confirmation of transactions involving the product?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[1017F(5A)(b)(i)]			
Note: Section 1017F(5A)(b)(i) requires that the holder of the product has 'been informed' of the standing facility'. Given that this information is not strictly required by Part 7.9 of the Act, it is uncertain whether incorporation by reference is intended to apply to these disclosure circumstances.			
Switching			
524. If holders are able to switch between schemes operated by the same responsible entity, does the PDS provide information which describes the switching management?	<input type="checkbox"/> N/A		
[ASIC Corporations (Application Form Requirements) Instrument 2017/241]			
Referring to other products			
525. If the PDS contains any recommendation or opinion about another financial product not offered under the PDS:	<input type="checkbox"/> N/A		
(a) does the issuer have an AFSL authorising it to provide general advice to retail clients in relation to the other financial product? [766B, 911A(1)]	<input type="checkbox"/> Yes <input type="checkbox"/> No		
(b) if not:	<input type="checkbox"/> N/A		
(i) is a licensee clearly identified as taking responsibility for the advice?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
(ii) does the PDS contain the licence number of that licensee?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
[912F(1), Reg 7.6.01C(1)(c)]			
(c) does the PDS contain the general advice warning? [949A(2)]	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> PDS*	
Note: ASIC Corporations (General Advice Warning) Instrument 2015/540 exempts an AFS licensee or its authorised			

Question	Answer	Where?	Reference / Comment
<i>representative from the requirement to provide a general advice warning for oral general advice provided that a simplified oral warning is given by the advice provider which conveys that the advice is general advice and the advice may not be appropriate for the client.</i>			
526. If the PDS advertises, or contains a statement reasonably likely to induce people to acquire, another product not offered under the PDS, does the PDS contain the advertising restriction notice? [1018A(1)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> PDS <input type="checkbox"/> IBR	
Note: <i>It may be possible to incorporate this statement by reference. However, given the nature of the information, incorporation by reference does not seem to be appropriate.</i>			

Privacy

527. Does the PDS state of such of the following matters as are reasonable in the circumstances:
- (a) if:
- (i) the issuer collects the personal information from someone other than the individual; or
- (ii) the individual may not be aware that the issuer has collected the personal information;
- (b) the fact that the issuer so collects, or has collected, the information and the circumstances of that collection?
- (c) that the APP privacy policy of the issuer contains information about how the individual may access their personal information that is held by the issuer and seek the correction of such information?
- (d) that the APP privacy policy of the issuer contains information about how the individual may complain about a breach of the APPs, or a registered APP code (if any) that binds the issuer, and how the issuer will deal with such a complaint?

- ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A
- ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A
- ☐ Yes ☐ PDS
☐ No ☐ IBR
☐ N/A

Question	Answer	Where?	Reference / Comment
(e) the purposes for which the personal information is collected?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(f) the organisations (or the types of organisations) to which the issuer usually discloses personal information of that kind?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(g) the collection of the personal information is required or authorised by or under an Australian law or a court/tribunal order — the fact that the collection is so required or authorised (including the name of the Australian law, or details of the court/tribunal order, that requires or authorises the collection)?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(h) the main consequences (if any) for the individual if all or some of the personal information is not collected?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(i) whether the issuer is likely to disclose the personal information to overseas recipients?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(j) if the issuer is likely to disclose the personal information to overseas recipients, the countries in which such recipients are likely to be located if it is practicable to specify those countries in the notification or to otherwise make the individual aware of them?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

[5 Australian Privacy Principles]

528.	Does the PDS contain any information required by State and Territory health records legislation? [ME Suggestion]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR
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Note: In particular, refer to:

- (a) the **Health Records and Information Privacy Act 2002 (NSW)**;
- (b) the **Health Records Act 2001 (Vic)**; and
- (c) the **Health Records (Privacy and Access) Act 1997 (ACT)**.

ED Securities

529.	If the interests in the scheme are ED Securities, does the PDS:	<input type="checkbox"/> N/A
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Question	Answer	Where?	Reference / Comment
(a) include a statement that:			
(i) as a disclosing entity, the scheme is subject to regular reporting and disclosure obligations; and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) copies of documents lodged with ASIC in relation to the scheme may be obtained from, or inspected at, an ASIC office.	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[1013I(2)]			
(b) either:			
(i) inform people of their right to obtain a copy of:			
(A) the scheme's most recently lodged annual financial report?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(B) any half-year financial report that has been subsequently lodged before the date of the PDS?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(C) any continuous disclosure notices subsequently given by the scheme before the date of the PDS? or	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
(ii) include, or is it accompanied by, a copy of relevant document(s)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

[1013I(3)]

Note: Issuers should consider whether the interests will become ED Securities and, if so, when.

Unlisted disclosing entities

530. Does the PDS identify how the entity will satisfy its continuous disclosure obligations?
- ☐ Yes ☐ PDS
☐ No ☐ IBR

Note: ASIC considers that information as to how an entity will disclose new material information is likely to be:

a) information that investors and their professional advisers reasonably require

Question	Answer	Where?	Reference / Comment
<p><i>to make an informed investment decision: s710(1); an</i></p> <p><i>b) information that might reasonably be expected to have a material influence on the investment decision of a reasonable person, as a retail client: s1013D and 1013E.</i></p> <p>[RG 198.44]</p>			
BPAY Guidelines			
531. Where the issuer allows payment by BPAY, does the PDS include the BPAY logo in accordance with the BPAY brand identity guidelines?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[BPAY brand identity guidelines]			
Anti-Money Laundering			
532. Does the PDS include a statement that the issuer is required to comply with the <i>Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth)</i> ?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[ME Suggestion]			
533. Does the PDS include a statement that the issuer may need to collect identification information and documentation from an member, the member's estate or anyone acting on the member's behalf to comply with its obligations under the AML/CTF Act?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[ME Suggestion]			
534. Does the PDS include a statement that the issuer may decide to delay or refuse any request or transaction, including by suspending the issue or withdrawal of units, if they are concerned that the request or transaction may breach any obligation of, or cause them to commit or participate in an offence under, any AML/CTF Law, and that they will not incur any liability if they do so?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[ME Suggestion]			
Use of credit ratings			
535. If the issuer is citing a credit rating in the PDS has the CRA consented to the credit rating being included in the form and context in which it appears?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	
[INFO 99]			

Question	Answer	Where?	Reference / Comment
536. If the credit rating is considered to be material and price sensitive information, has the entity disclosed this?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS <input type="checkbox"/> IBR	

[INFO 99]

Offering financial products in New Zealand

537. If the product will be used in New Zealand under mutual recognition arrangements have the required warnings been included?
- ☐ Yes
☐ No
☐ N/A

Note 1: For an issue to comply with the New Zealand financial markets law the form of the warnings are located in Sch 25 of the *NZ FMC Regulations* . [RG 190.43]

Note 2: For an issue to comply with the former NZ Securities Law, the form of the warnings is under regs 13 (1)(d)-13(1)(g) of the *NZ Mutual Recognition Regulations*. [RG 190.43]

Part P - Incorporation by reference

Important note: Under Regulation 7.9.15DA, statements and information mentioned in Part 7.9 can be incorporated into a PDS if the statement or information is in writing in publicly available material, which is not a short form PDS.

This Part only applies if you are using the incorporation by reference provisions. All of the other questions in this checklist continue to apply as if references to a PDS include references to a PDS or incorporated by reference material, subject to any comments included in relation to specific questions.

If you are proceeding by incorporation by reference, you should also complete the Incorporated by reference material checklist for each separate 'document'.

Question	Answer	Reference / Comment
Additional information to be included in the PDS		
538. Does the PDS refer to the statement or information included in the incorporated by reference material?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
[Reg 7.9.15DA(1)(b)(i)]		
539. Does the PDS provide sufficient information to enable a person to identify, by a unique identifier, the incorporated by reference material, or part of the incorporated by reference material, that contains the statement or information?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
[Reg 7.9.15DA(1)(b)(ii)]		
540. Does the PDS provide sufficient information to enable a person to locate the statement or information?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
[Reg 7.9.15DA(1)(b)(ii)]		
541. Does the PDS provide sufficient information to enable a person to decide whether or not to obtain the incorporated by reference material or to read the statement or information?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
[Reg 7.9.15DA(1)(b)(ii)]		
542. Does the PDS state that the incorporated by reference material may be obtained from the responsible person on request at no charge?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
[Reg 7.9.15DA(1)(b)(iii)]		
543. If the PDS does not include the information required to be disclosed by section 1013D(1)(b) or (f), in relation to significant benefits and significant characteristics and features of the product, does the PDS include a description, in summary, of the purpose and key features of the product?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
[Reg 7.9.15DA(4)(a)]		

Question	Answer	Reference / Comment
544. If the PDS does not include the information required to be disclosed by section 1013D(1)(c), in relation to significant risks, does the PDS include a description, in summary, of the key risks of the product?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	

[Reg 7.9.15DA(4)(b)]

Note: See Question 26

Incorporated by reference material checklist

545. Have you completed Minter Ellison's Incorporated by reference material checklist for each incorporated 'document'? [ME Suggestion]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
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Part Q - Wording and presentation

Question	Answer	Reference / Comment
Restricted terms		
546. Is any use of the words 'independent', 'impartial', 'unbiased' (or any other word that has a similar meaning) permitted by section 923A?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
547. Is any use of the words 'stockbroker', 'sharebroker', 'futures broker', 'insurance broker', 'insurance broking', 'general insurance broker' or 'life insurance broker' (or any other word or expression that has a similar meaning) permitted by an AFSL? [923B]	<input type="checkbox"/> Yes <input type="checkbox"/> No	
548. Has APRA's consent been obtained for any use of the words 'bank', 'banker', 'banking', 'building society', 'credit union' or 'credit society'? [66 Banking Act 1959]	<input type="checkbox"/> Yes <input type="checkbox"/> No	
549. If the word ANZAC is used, does its use comply with the Protection of Word 'Anzac' Act 1920? Note: <i>The Protection of Word 'Anzac' Regulations state that 'no person may use the word 'Anzac', or any word resembling it, in connection with any trade, business, calling or profession or in connection with any entertainment or any lottery or art union or as the name or part of a name of any private residence, boat, vehicle of charitable or other institution, or other institution, or any building without the authority of the Minister for Veterans' Affairs.'</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Clear, concise and effective		
550. Is the information in the PDS worded and presented in a clear, concise and effective manner? [1013C(3)] Note: <i>For hedge funds, ASIC states that this includes the benchmark and disclosure principle information. [RG 240.100]</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No	
551. Where possible, is the PDS in plain language and free of industry and legal jargon? [RG 168.74]	<input type="checkbox"/> Yes <input type="checkbox"/> No	
552. Where industry or legal jargon is used, does the PDS explain the meaning of that jargon by including a glossary of technical terms? [RG 168.74] Note 1: <i>ASIC notes that although some definitions are generally appropriate, too many defined terms are likely to confuse retail investors. [ASIC Report 201.37]</i> Note 2: <i>ASIC considers that disclosing that capitalised terms are defined terms may be useful for retail clients who are unaware of this practice. [ASIC Report 201.38]</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
553. Have communication tools (eg text, tables, diagrams and graphs) been used in a way that promote product understanding and comparability? [RG 168.73]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	

Question	Answer	Reference / Comment
554. Have navigational aids (eg tables of contents and clear signposting) been used to allow information be found more effectively in the PDS? [RG 168.73]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
555. If the product is not generally understood by consumers, eg if it is new or complex, has a greater level of disclosure been provided? [RG 168.77]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
556. If extraneous material is included in the PDS (including advertising or promotional material by the product issuer or a third party, for example, advertising about other products or immaterial benefits associated with acquisition of the product), is the extraneous material:	<input type="checkbox"/> N/A	
(a) clearly distinguishable from other information? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(b) no more prominent than other information?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
[RG 168.81]		
557. Is the PDS drafted in a way that makes it easier for consumers to make comparisons:		
(a) between two or more competing financial products? and	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(b) about options that may be available to them under the terms of a particular financial product?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
[RG 168.87]		
558. Is information designed to assist with comparison of product options or different financial products clearly identified so that consumers are better able to use it? [RG 168.88]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
559. Does the PDS:		
(a) adopt a clear, logical and consistent document structure;	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(b) use a clean and visually appealing layout;	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(c) provide investors only with 'salient' and relevant information;	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(d) use appropriate language and tone; and	<input type="checkbox"/> Yes <input type="checkbox"/> No	

Question	Answer	Reference / Comment
(e) work with people's behavioural biases.	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Note: ASIC has provided research that these features characterise 'more effective disclosure' for financial product disclosure documents.		
[ASIC Report 205.131]		
False and misleading statements		
560. Is the PDS free from statements or information that is false in a material particular or is materially misleading? [1041E]	<input type="checkbox"/> Yes <input type="checkbox"/> No	
561. Does the PDS give prominence to:		
(a) key information about the product so as to reflect the relative importance of the information to consumers?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Note 1: ASIC provides the following example: <i>Information about benefits and risks should have similar prominence in the PDS.</i>		
Note 2: See disclosure of significant risks in questions 25- 33 for further questions relating to prominence of risk disclosure.		
(b) 'warnings' associated with particular items of information?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
(c) information about significant unusual product features?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
Note: ASIC provides the following example: <i>Non-standard features or features not normally associated with a particular type of product in the market place.</i>		
(d) information about significant product features which, while they are not unusual, may lead to a significant financial impact for a consumer?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
Note 1: ASIC provides the following example <i>The cost to a consumer of early termination or sale of an investment based financial product (break costs), especially where the investment objectives were disclosed as being short-term.</i>		
Note 2: See from question 46 for further disclosure on break costs.		
(e) other significant details?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
Note: ASIC provides the following example: <i>Information about who is going to provide any ongoing services relating to the product or particular aspects of the product, and how to contact them.</i>		

Question	Answer	Reference / Comment
(f) key information about the product in summary at the front or beginning of the PDS?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
[RG 168.91]		
[1013B(1) as modified by ASIC Corporations (Removing Barriers to Electronic Disclosure) Instrument 2015/649 para 7]		
562. Is the PDS drafted so that it is likely that the client's attention will be drawn to information they most need, having regard to:		
(a) size of typeface?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(b) layout?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(c) use of colour and graphics?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(d) the order in which information is presented?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(e) the location and boldness of the information?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
[RG 168.95]		
563. Where illustrations or examples have been provided, are they accompanied by a clear explanation of:	<input type="checkbox"/> N/A	
(a) the facts and assumptions upon which they are based?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(b) their purpose?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
[RG 168.152]		
564. Where disclaimers are used:		
(a) are they sufficiently prominent to clearly counterbalance the effect of a misrepresentation?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(b) are they generally able to be seen and understood by those persons who otherwise might be misled?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
[RG 168.153]		
565. Is the PDS free from statements which have one or more reasonably possible meanings? [RG 168.154]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	

Question	Answer	Reference / Comment
566. Have comparisons of the product to a competitor been:	<input type="checkbox"/> N/A	
(a) done in a careful manner?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(b) based on assumptions that returns are reinvested only if it is possible to reinvest returns?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(c) calculated and shown on a consistent basis?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(d) accompanied by an explanation of the basis on which returns are being provided?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
[1013C(3), RG 168.73, RG 168.74]		
567. If the PDS contains a statement of opinion, is it free from any of the following, which may amount to a misleading or deceptive representation:	<input type="checkbox"/> N/A	
(a) a statement of opinion about a future matter where it is not based upon reasonable grounds?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(b) a statement of opinion which conveys that there is a basis for the opinion, that it is honestly held, and when expressed as the opinion of an expert that it is honestly held upon rational grounds involving the application of the relevant expertise, where that is not the case?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(c) a statement of opinion involving a state of mind which conveys the meaning (expressly or by implication) that the maker had that state of mind when making the statement, and that there was a basis for it, where that is not the case?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
[RG 168.147]		
(d) a statement of opinion published when the maker no longer holds the opinion or the grounds on which it was made have substantially changed?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
[RG 168.148]		
568. If the PDS contains ambiguous statements, are neither of the reasonably possible meanings misleading or deceptive?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
[RG 168.154]		

Separation wording (also applies to securitisation products)

Question	Answer	Reference / Comment
569. If the issuer belongs to a conglomerate group with an ADI and the PDS contains a common brand name used by the ADI and the issuer:		
(a) has section 66 of the Banking Act 1959 (Cth) governing the use of restricted expressions in Australia by an ADI or by any other person been complied with?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(b) are the roles and responsibilities of different group members clearly disclosed to reduce the risk of giving an impression that a non-ADI member of the group is an ADI, or that (contrary to the legal position) a group member is guaranteed or supported by an ADI in the group?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
[APRA Prudential Standard APS 222, para 15]		
<p>Note: APRA may require an entity not to use a particular brand name if that would give rise to a prudential concern having regard to the following factors:</p> <ul style="list-style-type: none"> ▪ the presence of appropriate disclosures; ▪ the type of entities involved (whether regulated or unregulated); ▪ the manner in which various products and services are marketed; and ▪ the types of customers involved. 		
[APRA Prudential Standard APS 222, para 16]		
570. If the issuer belongs to a conglomerate group with an ADI, does the PDS include clear, comprehensive and prominent disclosure that:	<input type="checkbox"/> N/A	
(a) the issuer with whom the customer is dealing is not an ADI and the issuer's obligations do not represent deposits or other liabilities of the ADI in the group ?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(b) the ADI does not stand behind the issuer (unless support is provided for in a legal agreement – see (c) below)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(c) where support is provided to the issuer by the ADI in a formal legal agreement, the nature and limit of such support?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
[APRA Prudential Standard APS 222, para 17]		

Photographs and drawings

- | | |
|---|---|
| 571. If the PDS contains photographs and drawings of assets which may be reasonably assumed to be assets of the financial product being promoted: | <input type="checkbox"/> N/A |
| (a) are the photographs and drawings of the real assets connected to the financial product? | <input type="checkbox"/> Yes
<input type="checkbox"/> No |

Question	Answer	Reference / Comment
(b) are the photographs of the assets of a financial product the most recent available?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(c) have the assets in the photographs materially changed in appearance since the photo was taken?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
[FSC Standard No. 10.00, para 10.7.1 – 10.7.2]		
572. If the PDS contains photographs and drawings of public buildings or panoramic views:	<input type="checkbox"/> N/A	
(a) is it clear to a reasonable investor that these do not depict trust assets?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(b) if not, does the PDS include a disclaimer?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
(c) if the photographs are panoramic photographs of areas in which assets of the financial product are or will be located, are the assets or their future location highlighted in the photograph?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
(d) if the photographs depict an asset in which the financial product owns or is entitled to only a small portion, does the PDS include a statement making clear that the financial product does not own the entire asset?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
[FSC Standard No. 10.00, para 10.7.1 and 10.7.3]		
Electronic PDS		
573. If the PDS is in electronic form, as far as practicable, is it presented in a way that will allow the person to whom it is given, to keep a copy of it so that the person can have ready access to it in the future?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
[Reg 7.9.02B(1)]		
574. If the PDS is in electronic form, is it presented in a way that clearly identifies the information that is part of the PDS? [Reg 7.9.02B(2)]	<input type="checkbox"/> Yes <input type="checkbox"/> No	
575. Does the PDS have a disclosure to the effect that offers of the product are any made to persons receiving the PDS in Australia, and where the application form accompanies the PDS?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
[RG 107.62]		

Part R - Application form

Question	Answer	Where?	Reference / Comment
General requirements			
576. Does the application form include:			
(a) the full name of the issuer? [153(1), 601DE(1)]	<input type="checkbox"/> Yes <input type="checkbox"/> No		
(b) the ABN, ACN or ARBN of the issuer with its full name on the first page that it appears? [153(2), 601DE, 1344]	<input type="checkbox"/> Yes <input type="checkbox"/> No		
(c) the issuer's Australian financial services licence number (if applicable)? [912F(1), Reg 7.6.01C]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		
577. Does the application form make provision for:			
(a) the applicant's name?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
(b) the applicant's date of birth or a statement that the applicant is at least 18 years of age?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
(c) the applicant's address?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
[Reg 7.9.74(1), ASIC Corporations (Application Form Requirements) Instrument 2017/241]			
578. If transaction confirmations are only provided by means of a standing facility, does the application form include agreement by the client that confirmation of transactions involving the product may be provided by means of the facility? [1017F(5A)(b)(i)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		
579. Does the application form include a declaration that the client has received and read the current PDS? [1012D(1)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		
Note: While not specifically required by 1012D(1), this may assist the product issuer to establish reasonable belief that the customer has received the PDS.			
580. Does the application form only collect personal information about someone other than the applicant when it is not reasonable and practicable to collect it	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		

Question	Answer	Where?	Reference / Comment
from the individual concerned? [3.6 Australian Privacy Principles] Note: The Privacy Act 1988 (Cth) defines 'personal information' to mean 'information or an opinion about an identified individual, or an individual who is reasonably identifiable: (a) whether the information or opinion is true or not; and (b) whether the information or opinion is recorded in a material form or not.'			
581. If the application form collects personal information about an individual from someone else:	<input type="checkbox"/> N/A		
(a) has the issuer taken reasonable steps to ensure that the individual is or has been made aware of the matters listed in APP 5? [5 Australian Privacy Principles].	<input type="checkbox"/> Yes <input type="checkbox"/> No		
(b) either:	<input type="checkbox"/> Yes <input type="checkbox"/> No		
(i) where the information is reasonably necessary for one or more of the issuer's functions or activities, has the customer consented to the collection of sensitive information from someone else? or			
(ii) is the collection of the information is required or authorised by or under an Australian law or a court/tribunal order? [3.3 and 3.4 Australian Privacy Principles] Note 1: The Privacy Act 1988 (Cth) defines 'sensitive information' to mean information or an opinion about an individual's: (a) racial or ethnic origin; or (b) political opinions; or (c) membership of a political association; or (d) religious beliefs or affiliations; or (e) philosophical beliefs; or (f) membership of a professional or trade association; or (g) membership of a trade union; or (h) sexual orientation or practices; or (i) criminal record, that is also personal information or			

Question	Answer	Where?	Reference / Comment
<p>(j) health information about an individual; or</p> <p>(k) genetic information about an individual that is not otherwise health information; or</p> <p>(l) biometric information that is to be used for the purpose of automated biometric verification or biometric identification; or</p> <p>(m) biometric templates.</p>			
<p>582. Does the application obtain the customer's consent to any use of personal information other than for:</p> <p>(a) the primary purpose for which it was collected?</p> <p>(b) a related (directly related for sensitive information) secondary purpose of collection which the customer would reasonably expect the issuer to use the information for?</p> <p>(c) direct marketing (if not sensitive information)?</p> <p>[6 Australian Privacy Principles]</p> <p>Note 1: APP 6 contains exceptions for organisations, where the use or disclosure of personal information for a secondary purpose is reasonably necessary:</p> <p>a) to locate missing persons; and</p> <p>b) for the purposes of a confidential alternative dispute resolution process.</p> <p>Note 2: Direct marketing is addressed in APP 7. APP 7 addresses direct marketing as a discrete subject, rather than as a type of secondary purpose of collection, as in NPP 2.</p>	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p><input type="checkbox"/> N/A</p> <p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p><input type="checkbox"/> N/A</p> <p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p><input type="checkbox"/> N/A</p>		
<p>583. If payment can be made by direct debit, does the PDS include a direct debit request and service agreement in a form approved by sponsoring bank? [BECS Regulations and Procedures]</p>	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p><input type="checkbox"/> N/A</p>		

Question	Answer	Where?	Reference / Comment
IDPS-like scheme			
584. Does the application form include a consumer warning acknowledgement that provides:			
(a) a list of the key areas of difference between using the platform and investing in the financial products or securities through the platform and investing directly? and	<input type="checkbox"/> Yes <input type="checkbox"/> No		
(b) cross-references (including page or paragraph references as appropriate) to where further information on these issues can be located in the IDPS Guide?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
585. Does the consumer warning acknowledgement cover, at a minimum, whichever items were included for question 478 that are applicable to the operation of the relevant platform and the investments that are made available to investors within that platform?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
<p>Note 1: ASIC states that this is not exhaustive, and that it expects consumer warnings to include an acknowledgement of any material differences in relation to investors' rights between using the platform and investing through the platform and investing in the financial products directly.</p> <p>Note 2: ASIC states that the consumer warning acknowledgement may contain wording such as:</p> <p><i>I/we acknowledge that by investing through [Name of platform], I/we do not have access to some of the rights and entitlements that would otherwise be available to me/us as a retail investor if I/we invested in the underlying financial products directly.</i></p> <p><i>I/we understand that this includes not having the same rights as direct retail investors or not having access to:</i></p> <p>(a) <i>cooling-off rights (p. x of the IDPS Guide);</i></p> <p>(b) <i>withdrawal rights (p. x); and</i></p> <p>(c) <i>voting rights (p. x).</i></p>			
[RG 148.150-151]			
586. If the voting policy of the accessible investment does not allow voting by investors in certain circumstances, or altogether, does the application form include a clear and prominent consumer warning acknowledgement that the	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		

Question	Answer	Where?	Reference / Comment
applicant is aware that they do not have voting rights when investing in financial product(s) through the platform?			
[RG 148.61]			
Funds management and securitisation			
587. If the issuer belongs to a conglomerate group with an ADI, does the application form contain a signed acknowledgement in close proximity to the following disclosures indicating that the customer has read and understood them:	<input type="checkbox"/> N/A		
(a) the issuer with whom the customer is dealing is not an ADI and the issuer's obligations do not represent deposits or other liabilities of the ADI in the group?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
(b) the ADI does not stand behind the issuer except to the extent provided for in a legal agreement between the ADI and the issuer (where applicable)?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
(c) where support is provided to the issuer by the ADI in a formal legal agreement, the nature and limit of such support?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
[APRA Prudential Standard APS 222, para 17]			
Anti-Money Laundering			
588. Does the application form collect the minimum identification information required under the <i>Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth)</i> ? [Part 2 AML Act] [Chapter 4 AML Rules] [ME Suggestion]	<input type="checkbox"/> Yes <input type="checkbox"/> No		
589. For dealer personalised application forms, does the application form include:			
(a) the identity of the issuer, the nature of the financial products being offered and the date of the Product Disclosure Statement; and; and	<input type="checkbox"/> Yes <input type="checkbox"/> No		
(b) a prominent statement to the effect that the applicant should have been given or have had made	<input type="checkbox"/> Yes <input type="checkbox"/> No		

Question	Answer	Where?	Reference / Comment
available to them by an electronic means, a Product Disclosure Statement that is required by law to enable the applicant to make an informed decision about acquiring the financial product.			
[ASIC Corporations (Application Form Requirements) Instrument 2017/241]	<input type="checkbox"/> Yes		
	<input type="checkbox"/> No		

Consents and acknowledgements

590. Does the application form require the applicant to:
- (a) Read and understand the PDS?
- ☐ Yes
☐ No
- (b) Consent to receive relevant disclosures electronically?
- ☐ Yes
☐ No
- (c) Agree to be bound by the schemes constitution?
- ☐ Yes
☐ No
- (d) For Australian products, agree to be bound by the terms of the product?
- ☐ Yes
☐ No
- (e) For products issued by an ADI, acknowledges that the investment does not represent a deposit or other liability of the ADI?
- ☐ Yes
☐ No
- (f) Acknowledge the issuer's privacy policy?
- ☐ Yes
☐ No
- (g) Acknowledge that the issuer may collect, and verify, personal information under AML laws on an ongoing basis?
- ☐ Yes
☐ No

[ME Suggestion]

Part S - Combining with a FSG

Do you need to complete Part S?

This Part sets out the additional requirements which apply if a PDS is combined with a Financial Services Guide (**FSG**). In addition to the requirements below, the FSG part of the document must comply with the FSG requirements (see our FSG Checklist).

Question	Answer	Where?	Reference / Comment
General requirements			
591. Is the providing entity for the financial service (ie the entity that is required to provide the FSG) either:	<input type="checkbox"/> Yes <input type="checkbox"/> No If no, do not combine.		
(a) the product issuer; or			
(b) a representative or related body corporate of the product issuer?			
[7.7.08A(2)(a) and (3)(a)]			
592. Is the product not a basic deposit product, a related non-cash payment facility, a general insurance product or a life risk product?	<input type="checkbox"/> Yes <input type="checkbox"/> No If no, do not combine.		
[7.7.08A(3)(b)]			
593. If the PDS and FSG are combined, does the document clearly and prominently disclose:			
(a) the identity of the providing entity and the product issuer?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS	
(b) the nature of the relationship between the providing entity and the product issuer?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS	
(c) the liability of the providing entity and the product issuer in relation to the document?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS	
[7.7.08A(3)(b) and (e)]			
594. Is the document divided into two separate parts:			
(a) a part identifiable as an FSG the complies with the FSG requirements; and	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS	
(b) a part identifiable as a PDS that satisfies the PDS requirements?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS	
[7.7.08A(2)(b) and (3)(c)]			

	Question	Answer	Where?	Reference / Comment
595.	<p>Is the title 'Combined Financial Services Guide and Product Disclosure Statement' used on the cover of the document or at or near the front of the document or the beginning?</p> <p>[1014B(1) as modified by ASIC Corporations (Removing Barriers to Electronic Disclosure) Instrument 2015/649 para 7]</p> <p>[7.7.08A(2)(c) and (3)(d)]</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> PDS	

Part T - Online and electronic disclosure

The Corporations Act expressly permits the electronic delivery of a PDS: [1015C] [Reg 7.9.02A].

In addition, ASIC provides relief under the *ASIC Corporations (Facilitating Electronic Delivery of Financial Services Disclosure) Instrument 2015/647 (ASIC Instrument 2015/647)* (released in July 2015) to enable providers to make financial services disclosures available electronically to investors provided it has first sent a notice to the investor of its intention to do so and the investor has not opted out of receiving disclosures electronically.

Further to these provisions, ASIC has released guidance through ASIC Regulatory Guide 221 (**RG 221**) for financial services providers that use (or plan to use) technology, including email and the internet, to deliver financial products and financial services disclosures to clients.

Question	Answer	Reference / Comment
Electronic statement		
596. If the PDS is to be given in electronic form, is it:		
(a) as far as practicable, presented in a way that will allow the person to whom it is given, to keep a copy of it so that the person can have ready access to it in the future?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
(b) it presented in a way that clearly identifies the information that is part of the PDS?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
[Reg 7.9.02B(1), RG 221.60, Table 2 Item 5]		
Note: ASIC notes that the requirements outlined above do not prevent the use of hyperlinks and references to website addresses in delivering disclosures, provided there is some capacity for the client to either store the disclosure, or continue to have access to that disclosure. [RG 221.61]		
597. Has the PDS been either:	<input type="checkbox"/> Yes (If	
(a) given electronically by sending it to the to the person, or the person's agent, at an electronic address or fax number nominated by the person or the agent? [1015C(1)(a)(ii)]	yes, go to Q600) <input type="checkbox"/> No	
(b) made available to the person, or the person's agent, by a nominated electronic means? [1015C(1)(a)(ii) as notionally inserted by ASIC Instrument 2015/647, Para 5(4)]	<input type="checkbox"/> Yes (If yes, go to Q598) <input type="checkbox"/> No	
Note 1: This relief allows for disclosure by, for example, sending clients: (a) an email, SMS, app notification, social media notification or other digital message with a hyperlink or similar connection, or instruction to access the disclosure; or (b) a notification that the disclosure is available digitally. RG 221.33		
Note 2: ASIC's relief allows the provider to use this method of delivery by default, even if it has not first secured client agreement. To use this method, the provider must first give the client the opportunity to opt out of this method.		

Question	Answer	Reference / Comment
[RG 221.34]		
(c) made available to the person, or the person's agent, in any way that is agreed to by the person or the person's agent and allows the regulated person to be satisfied, on reasonable grounds, that the person has received the PDS? [Reg 7.9.02A(1)]	<input type="checkbox"/> Yes (If yes, go to Q600) <input type="checkbox"/> No	
Note 1: ASIC states there are no legislative requirements relating to the form of that agreement, and so providers need only satisfy themselves that the client has agreed to this method of delivery. [RG 221.26]		
Note 2: ASIC notes that for ongoing disclosures, an example of digital delivery in a way agreed by the client might be a product that includes in its terms and conditions that disclosures will be made available on social media, a particular app or an online platform, rather than being given directly. [RG 221.28]		
Note 3: Many disclosure provisions enable a disclosure to be sent, given, provided, notified or delivered digitally, including to an electronic address: see RG 221.12. The legislation does not generally specify how providers might use contact details to give a disclosure digitally. [RG 221.18]		
Note 4: To promote greater confidence for providers in delivering PDSs, FSGs and SOAs digitally, we have given relief in ASIC Corporations (Facilitating Electronic Delivery of Financial Services Disclosure) Instrument 2015/647 from the requirement for the provider to be reasonably satisfied that the client has received the disclosure where the provider delivers the disclosure digitally, including by the publish and notify method. [RG 221.58]		
Note 5: Both notification and possible monitoring are intended to mitigate against situations such as where a client gave an incorrect email address, where the passage of time has meant the email address given is no longer accessed, or where a client, not expecting a communication from their financial services provider, does not open an email. [RG 221.70]		
Note 6: Providers need to consider whether other laws or requirements restrict how they may deliver disclosures or impose additional consent requirements. ASIC notes that they have modified the ePayments Code to allow digital disclosure in a similar manner to that permitted under the Corporations Act (as modified by the ASIC Corporations (Facilitating Electronic Delivery of Financial Services Disclosure) Instrument 2015/647). [RG 221.71]		

Electronic Delivery

598. If the PDS has been made available to the person, or the person's agent, by a nominated electronic means have the following been satisfied:
- (a) the providing person made the relevant communication available by an electronic means and notified the receiving person orally or by giving the receiving person a notice in printed or electronic form:
- (i) that the providing person has made the relevant communication available by the electronic means; and
- ☐ Yes
☐ No
☐ N/A

Question	Answer	Reference / Comment
<p>(ii) how the receiving person can obtain the relevant communications through, or by using, the electronic means;</p> <p>Note: <i>A notification under paragraph (a) must be made each time a relevant communication is made by a nominated electronic means. A standing notice may be given for the purposes of subparagraph 598(b)(ii).</i></p> <p><i>[761A as amended by ASIC Instrument 2015/647, Para 5(1)]</i></p>		
(b) either:	<input type="checkbox"/> Yes	
<p>(i) the receiving person and the providing person have agreed that the relevant communication, or relevant communications of that type, could be made available to the receiving person by the electronic means; or</p>	<input type="checkbox"/> No <input type="checkbox"/> N/A	
<p>(ii) the providing person has given the receiving person a notice in printed or electronic form that states that:</p> <p>(A) the providing person may use the electronic means to make the relevant communication, on relevant communications of that type, or relevant communications of that type, available to the receiving person unless the receiving person elects, by a means reasonably specified in the notice, not to receive relevant communications by the electronic means; and</p> <p>(B) an election referred to in question 598(b)(ii)(A) will apply to relevant communications made after the election' and</p> <p>(C) if the receiving person makes the election within 7 days after the providing person has given the notice, the election referred to in question 598(b)(ii)(A) will apply to any relevant communications made in the period between the notice being given and the election being made, provided that the notice need not include such a statement if the providing person has no reasonable grounds for believing that it will</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	

Question	Answer	Reference / Comment
	make a notification referred to in question 598(a) in the period of 7 days from the time it gives the notice?	
Note 1	<i>The notification need not be specific, but should cover the form of the PDS the provider intends to use. For example, a notification might say that the provider will deliver disclosures in the future using an online portal, or via an app. If a provider creates a new method not envisaged by the original notification, a new notification and seven-day period to opt out (or other form of agreement) would be necessary. [RG 221.39]</i>	
Note 2	<i>The provider should endeavour to make the process of retrieval as easy as possible. [RG 221.47]</i>	
Note 3	<i>If the disclosure contains personal financial information, the provider should ensure that the information is adequately secured, such as by password protection. This requirement should be met in a way that recognises the desirability for the client to actually access the information. If a provider does not have the required technology to implement a secure and relatively seamless process for accessing disclosures, it should consider whether an alternative method may be more appropriate for its clients. [RG 221.46 & 48]</i>	
Note 4	<i>ASIC states giving the opportunity to opt out might mean providing an option for the client to have disclosures delivered (in full) either to an electronic address or to a postal address. [RG 221.40]</i>	
Note 5	<i>ASIC states the provider may choose to provide the notification that disclosure is available to access at the same time as the opt-out notice, but it would not satisfy its obligation to deliver the disclosure until the seven-day opt-out period has expired, without the client opting out. [RG 221.38]</i>	
Note 6	<i>ASIC states that alternatively, the provider could secure the client's agreement to this method. If the provider wishes to deliver the disclosure by the publish and notify method immediately, it should obtain agreement from the client. If agreement is secured, no seven-day period for opting out is required. Agreement can be sought in any way—such as orally, in person or over the telephone, by using a tick box on a form, or by SMS. Agreement could be sought as part of the application process. As a consequence, this method may be most useful when providers wish to use the publish and notify method for disclosure delivery for existing clients. [RG 221.41-42]</i>	
Note 7	<i>ASIC states that after the provider has delivered the first notice and seven days has passed, a provider may deliver all future disclosures by publishing the disclosure digitally, such as on a website or other digital facility, and notifying the client by any means, provided the notification is able to be retrieved or stored. [RG 221.43]</i>	
	[761A as amended by ASIC Instrument 2015/647, Para 5 (1)(b)(ii A-C)]	

Question	Answer	Reference / Comment
599. If the providing person gives a notice referred to in paragraph 598(a) or subparagraph 598(b)(ii) in printed or electronic form, has the providing person gives the notice to the receiving person:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
(i) personally? or (ii) by sending the notice to the receiving person at an address (including an electronic address) or fax number nominated by the receiving person? or (iii) by making the notice available to the receiving person in any way that is agreed to by the receiving person?		
[761A as amended by ASIC Instrument 2015/649, Para 5(1)]		

Fully digital products and services

600. If the products or services are sold as digital only and providers are not making printed or printable copies of the PDS available, was the client made aware that they would only receive communications in digital form before the purchase took place?
- ☐ Yes
☐ No
☐ N/A

Note: ASIC states that where a provider seeks to shift a product or service from having printed and posted PDSs available to a fully digital product, it must have the agreement of each relevant holder of that product.

[RG 221.29, RG 221.31]

Long Form PDSs given electronically –good practice

Note: ASIC states its good practice guidance for digital disclosure applies to any method of digital delivery of financial services disclosures. ASIC encourages providers to apply its good practice guidance when delivering disclosures digitally. [RG 221.107-108]

601. Is the PDS:

- (a) easy to access?
- ☐ Yes
☐ No
☐ N/A

Note: ASIC states it is up to the provider to determine which means is most appropriate for the client to easily access the disclosure. [RG 221 Table 2 Item 1]

- (b) readily navigable so the client can easily identify particularly relevant sections, or move around in the disclosure in a way that is meaningful to them?
- ☐ Yes
☐ No
☐ N/A

Note: ASIC states this could be achieved by including features such as a menu on an app, chapters in a video or a contents bar on a webpage. [RG 221 Table 2 Item 1]

602. If a generic web address hyperlink or other direction device that does not take a client directly to the disclosure is given, are instructions provided on how to access the disclosure?
- ☐ Yes
☐ No
☐ N/A

[RG 221 Table 2 Item 1]

Question	Answer	Reference / Comment
Note: ASIC states instructions should be clear and easy to understand. Providers should ensure that any process to access the disclosure is simple. [RG 221 Table 2 Item 1]		
603. Has the provider ensured that any process to access the disclosure is simple?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	[RG 221 Table 2 Item 1]
604. If a specific document address or a hyperlink that takes a client directly to the disclosure is given, does the address or the hyperlink take the client to the beginning of the disclosure?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	Note: For example a hyperlink should not take the client straight to an application form. [RG 221 Table 2 Item 1] [RG 221 Table 2 Item 1]
605. Has the provider ensured that the PDS does not include features that:		
(a) channel clients away from important information; or	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
(b) distract clients from key features of the confirmation?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	Note: To ensure disclosure is clear, concise and effective, appropriate prominence should be given to each aspect of the product that the consumer should understand before purchasing the product. [RG 221.105]
606. Does the disclosure flow logically in a way that aids understanding of the product? [RG 221.106]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	Note: ASIC is concerned that the digital environment might make it easier for a disclosure to channel a consumer away from parts of the disclosure that may be less appealing or for which it might not be in the provider's interest to draw the client's attention to.
607. Are clients able to identify the whole disclosure, such that the electronic document can clearly be identified as, or part of, a specific disclosure document?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	[RG 221 Table 2 Item 3]
608. When disclosure is provided through a hyperlink or a reference to a website or a digital facility, does the provider direct clients to take a digital or, where practical, a printed copy of the disclosure?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	[RG 221.67, RG 221.69, Table 2 Item 4]
609. To allow clients to keep a copy of the disclosure, has the provider ensured the disclosure continues to be accessible from the link, at the website address or	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	

Question	Answer	Reference / Comment
through the digital facility, for a period that is reasonable for that information?		
Note: ASIC considers that a period of two years is reasonable for most disclosures, unless the disclosures have been superseded or updated sooner or have become out of date. For example, because the product or service is no longer available and there are no longer any clients affected by it.		
[RG 221 Table 2 Item 5]		
610. If it is not possible to continue to make the disclosure available from the specified link, website address or digital facility throughout a reasonable period, does the provider make it easy for clients to request a digital copy of the disclosure at no cost to the client?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
Note: ASIC uses the example of providing a toll-free telephone number or an electronic address or a request button clients can use to request a copy.		
[RG 221 Table 2 Item 5]		
611. Has the provider maintained records of all versions of the periodic statements that have been disclosed online and the periods in which they were available?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
Note: ASIC considers that as a matter of good practice, these records should be kept for a period of at least seven years (or as required by law).		
[RG 221 Table 2 Item 6]		
612. Where the disclosure is provided through a hyperlink or a reference to a website address or digital facility, does the disclosure make it clear to clients that they can request a copy of the disclosure at no cost to the client during this period?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
[RG 221 Table 2 Item 6]		
613. Does the provider include a statement in any disclosure that the client may opt out of digital disclosure at any time and at no cost by using the electronic address or telephone number set out in the message?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
Note: ASIC notes that this is not necessary where the terms and conditions of the product exclude certain methods of communication, provided those terms and conditions are made clear to the client before purchasing or the client has clearly agreed to those terms and conditions after purchase. [RG 221 Table 2 Item 7]		
[RG 221 Table 2 Item 7]		
614. Where a generic disclosure is delivered via a hyperlink in an email, does the email contain a statement that the client will not be asked to provide any personal financial details online?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
[RG 221 Table 2 Item 8]		

Question	Answer	Reference / Comment
615. If the disclosure contains personal financial information, has the provider ensured that the information is adequately secured, such as by password protection and encryption?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<p>[RG 221 Table 2 Item 8]</p> <p>Note 1: ASIC states that this requirement should be met in a way that recognises the desirability for the client to actually access the information and makes the process of retrieval as easy as possible. If a provider does not have the required technology to implement a secure and relatively seamless process for accessing disclosures, it should consider whether an alternative method may be more appropriate for its clients. [RG 221.46-48]</p> <p>Note 2: ASIC states providers should continue efforts to educate clients about internet scams and other security risks and may wish to direct clients to www.staysmartonline.gov.au and www.moneysmart.gov.au. [RG 221 Table 2 Item 8]</p>
616. Does the provider monitor bounce-backs and attempt an alternative method of delivery where a 'hard' bounce-back is received?		<p>Note 1: ASIC has stated providers could also consider using software or technology to monitor for emails being opened and attempt other methods of delivery if there is a pattern of unopened emails. ASIC notes that this will not be possible or appropriate in all circumstances, but encourages providers to use technology to provide the best possible service for their clients. [RG 221.69],</p> <p>Note 2: Both notification and possible monitoring are intended to mitigate against situations such as where a client gave an incorrect email address, where the passage of time has meant the email address given is no longer accessed, or where a client, not expecting a communication from their financial services provider, does not open an email. [RG 221.70]</p> <p>[RG 221.67]</p>
617. If a provider becomes aware that a client has not received the disclosure, have reasonable attempts to contact the client by other means to give the disclosure been taken?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<p>[RG 221 Table 2 Item 4]</p> <p>Note: For example if the provider receives an undeliverable email notice (a 'hard' bounce-back) or the post is returned to sender, it should make reasonable attempts to contact the client by other means to give them the disclosure (e.g. by sending the disclosure to an alternative electronic address of the client if one has been provided or by sending a printed copy of the disclosure to the client). [RG 221 Table 2 Item 4]</p>
618. If a provider is changing the way they deliver disclosures to existing clients (e.g. from paper to email delivery), have they notified clients using their existing method of communication before doing so?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<p>[RG 221.66]</p>

Part U - Administration requirements

Lodgement

- ☐ A PDS in-use notice was lodged with ASIC on[1015D(2)]

Record keeping

- ☐ A copy of any consents in respect of a statement made by a person included in the PDS, or a statement said in the PDS to be based on a statement made by a person, will be kept for a period of 7 years from the date of the consent. [1013K(2), Reg 7.9.76]
- ☐ A copy of the PDS will be kept for a period of 7 years after the date of the PDS. [1015D(3)]

Third line forcing

- ☐ ACCC notification or authorisation has occurred in relation to any third line forcing? [47(6) and (7), 88 and 93 Competition and Consumer Act 2010]

Signature

Date

Appendix

Key fees and costs concepts under ASIC Class Order [CO 14/1252]

Meaning of 'indirect cost'

1. **Indirect cost** has the meaning given by clause 101A of Schedule 10 of the Corporations Regulations (as inserted by CO 14/1252). Clause 101A of Schedule 10 contains the following definition of indirect costs:

Note: Refer to Part B of *ASIC Regulatory Guide 97* for detailed guidance on the calculation of indirect costs.

Note 3: 101A Indirect costs

- (1) Despite subsection 1013C(2) of the Act, the indirect cost of a MySuper product, an investment option offered within a superannuation product other than a MySuper product, managed investment product or investment option offered by a managed investment scheme means any amount that:
 - (a) either:
 - (i) a responsible person knows, or reasonably ought to know or, where this is not the case, may reasonably estimate has reduced or will reduce (as applicable) whether directly or indirectly the return on the product or option that is paid from or reduces the amount or value of:
 - (A) the income of or the property attributable to the product or option; or
 - (B) the income of or the property attributable to an interposed vehicle in or through which the property attributable to the product or option is invested; or
 - (ii) satisfies both the following:
 - (A) the amount is paid or payable by or on behalf of a person who may make payments that form part of the return on, or the value of, the product or option whether directly or through an interposed vehicle;
 - (B) payment of the amount is a benefit that increases the returns or value of the product or option or provides a benefit to the issuer in relation to the product or option that is retained by the issuer; and
 - (b) for a MySuper product or an investment option offered within a superannuation product other than a MySuper product is not charged to a member as a fee; and
 - (c) is not a fee as defined in clause 209A or an insurance fee; and
 - (d) subject to subsection (3), would, if the amount had been paid as a cost out of a superannuation entity, be an investment fee or administration fee for the superannuation product or, if the amount had been paid out of the scheme property of the registered scheme, be a management cost of the managed investment product.”;
- (2) For the purposes of subclause (1):
 - (a) property is invested in or through an interposed vehicle even if:
 - (i) the property is in turn invested in or through one or more other interposed vehicles; or
 - (ii) the property was invested in the first mentioned interposed vehicle through or by another interposed vehicle; and
 - (b) property is not invested in or through an interposed vehicle if the property is invested in the vehicle by a body, trust or partnership that:
 - (i) is not an interposed vehicle; and

- (ii) is not the trustee or responsible entity.
 - (3) Without limiting subclause (1), the indirect costs of a product or investment option referred to in subclause (1) include:
 - (a) the following amounts where the responsible person knows, or reasonably ought to know or, where this is not the case, may reasonably estimate those amounts:
 - (i) in relation to a derivative financial product that is not an option to acquire or dispose of a financial product—the amount that is the difference between the underlying return and the actual return for the derivative financial product, where the actual return on the product or option is less than the underlying return on the derivative financial product over the relevant financial year; or
 - (ii) in relation to a derivative financial product that is an option to acquire or dispose of a financial product—any amount by which the cost incurred to acquire the derivative financial product exceeds the amount that would be obtained on its disposal at that time; or
 - (b) where the responsible person does not know, does not believe they reasonably ought to know, and is not able to reasonably estimate without taking steps that the responsible person considers unreasonable, the amount in paragraph (a) (as applicable) in relation to a derivative financial product—the following amounts in relation to the derivative financial product:
 - (i) in relation to a derivative financial product that is not an option to acquire or dispose of a financial product—the greater of:
 - (A) the amount calculated using the following formula:

$$\text{relevant percentage} \times \text{value} \times (n/365)$$

where:

n means the number of days that the derivative financial product was held by the responsible person or interposed vehicle during the relevant financial year.

relevant percentage means 0.1%.

value, in relation to a derivative financial product, means the value of the ultimate reference assets, in each case taking into account any leverage, offsets or similar adjustments applied to or between the ultimate reference assets under the terms of the derivative financial product; and
 - (B) the minimum amount that the responsible person believes or has reasonable grounds to believe would apply under paragraph (a);
 - (ii) in relation to a derivative financial product that is an option to acquire or dispose of a financial product—the lesser of:
 - (A) the amount that would apply under subparagraph (i) if the exclusion from that subparagraph (i) of options did not apply; and
 - (B) the premium paid by the responsible person or interposed vehicle for the option,
- where the amount referred to in paragraph (a) or (b) is attributable to:
- (c) the product or investment option; or
 - (d) an interposed vehicle through which the property attributable to the product or investment option is invested.

(3A) In subclause (3):

actual return means the return that has been or would be received (as applicable), or loss that would be payable, by the responsible entity, trustee or interposed vehicle in relation to the derivative financial product over the relevant financial year if the derivative financial product was:

- (a) acquired at the time the derivative financial product was acquired, or, if the derivative financial product was not acquired during the relevant financial year, acquired at the commencement of the relevant financial year for the same price at which it would have been disposed at the end of the preceding financial year; and
- (b) disposed of at the time the derivative financial product was disposed of, or, if the derivative financial product was not disposed of during the relevant financial year, disposed of at the end of the relevant financial year for the price at which it would have been disposed of at that time.

derivative financial product means a financial product that:

- (a) is:
 - (i) a derivative; or
 - (ii) either:
 - (A) a security other than a share in a body or a debenture of a body; or
 - (B) a managed investment product or financial product referred to in paragraph 764A(1)(ba) of the Act other than an interest in a managed investment scheme,
 under which:
 - (C) financial products (delivery products) will be delivered or an amount paid at a specified time (maturity) in the future; and
 - (D) the value of the delivery products to be delivered at maturity or the amount to be paid is ultimately determined, derived from or varies by reference to the value or amount of one or more of the following (each, a reference asset):
 - (I) financial products other than the delivery products;
 - (II) an asset other than a financial product;
 - (III) a rate (including an interest rate or exchange rate);
 - (IV) an index;
 provided that the reference asset is not related to the value of:
 - (V) a share in a body or debenture of a body to which the delivery products relate; or
 - (VI) the assets of the managed investment scheme to which the delivery products relate; or
 - (VII) the assets attributable to a class of interests in the managed investment scheme to which the delivery products relate; and
- (b) is not able to be traded on a financial market at the time it is acquired.

reference asset:

- (a) in relation to a derivative financial product that is a derivative—means the something else that the amount of the consideration, or the value of the arrangement, is ultimately determined, derived from, or varies by reference to and, if the something else is a rate of interest or inflation, the amount on which that rate is applied under the derivative financial product in determining the amount to be paid or received;
- (b) in relation to a derivative financial product that is a security, managed investment product or financial product referred to in paragraph 764A(1)(ba) of the Act other than an interest in a managed investment scheme—has the meaning given by clause 101A(3A)(a)(ii)(D).

relevant financial year means the financial year for which responsible person is calculating indirect costs.

ultimate reference asset, in relation to a derivative financial product and each reference asset for the derivative financial product, means:

- (a) to the extent that the reference asset is:
 - (i) a derivative financial product; or
 - (ii) rights in an entity that would be an interposed vehicle if it were held by the superannuation entity or scheme; or
 - (iii) an index that includes a derivative financial product referred to in sub-paragraph (i) or rights in an entity referred to in sub-paragraph (ii),
 the asset or assets from which the returns from the derivative financial product or rights in the entity are determined, or any asset or assets that are held in or through any other derivative financial products or entities that would be an interposed vehicle if they were held as part of the superannuation entity or scheme;
- (b) to the extent that the reference asset is not covered by any of the subparagraphs in paragraph (a)—the reference asset.

underlying return, in relation to a derivative financial product, means the return that has been or would be received (as applicable), or loss that would be payable, because of the change in the value of the ultimate reference assets taking into account any leverage, offsets or similar adjustments applied to or between the ultimate reference assets under the terms of each relevant derivative financial product or interest in an interposed vehicle over the relevant financial year for which the derivative financial product was held.

- (4) Despite subclause (1) and (3), indirect costs of a managed investment product or an investment option of a managed investment scheme do not include amounts referred to in subclause (3):
 - (a) where the derivative financial product referred to in subclause (3) is acquired or disposed of for the primary purpose of avoiding or limiting the financial consequences of fluctuations in, or in the value of, receipts or costs of the managed investment scheme whether or not the receipts or costs arise in or through an interposed vehicle; and
 - (b) where the indirect costs were calculated under paragraph (3)(a), to the extent that the difference would result from the incurring of transactional or operational costs in relation to the ultimate reference assets.

Note: Costs excluded under subparagraph (4) are likely to be transaction costs under clause 102. Indirect costs for superannuation products generally include transaction costs.

Meaning of 'interposed vehicle'

Interposed vehicle has the meaning given by clause 101B of Schedule 10 of the Corporations Regulations (as inserted by CO 14/1252). Clause 101B of Schedule 10 contains the following definition of interposed vehicle:

101B Interposed vehicle

- (1) A body, partnership or trust (each an entity) is an interposed vehicle in relation to a product or investment option if both of the following are satisfied:
 - (a) property attributable to the product or investment option to which the Product Disclosure Statement relates is invested in or through the entity;
 - (b) the responsible person for the Product Disclosure Statement believes or has reasonable grounds to believe that the entity has more than 70% of its assets by value invested in securities or other financial products.
- (2) For the purposes of subclause (1) and subject to subclause (3), in determining whether an entity (the first entity) has more than 70% of its assets by value invested in securities or other financial products, disregard for the numerator, securities or other financial products that:

- (a) are reasonably regarded as a means by which the first entity makes an investment in real property or an infrastructure entity; or
 - (b) confer on the first entity control of another entity (the second entity), unless the responsible person for the Product Disclosure Statement has reasonable grounds to believe that the second entity has more than 70% of its assets by value invested in securities or other financial products.
- (3) For the purposes of paragraph (2)(b), in determining whether the second entity has more than 70% of its assets by value invested in securities or other financial products, apply subclause (2) to the second entity as if the second entity was the first entity referred to in that subclause.
- (4) An entity is also an interposed vehicle in relation to a product or investment option if, having regard to the Product Disclosure Statement for the product or investment option and any other information issued by the responsible person, a security or interest in the entity could be reasonably regarded, by retail clients who may be expected to be given the Product Disclosure Statement or other information, as the means by which the benefit of investments by or through the entity is obtained, rather than the investment of the superannuation entity or registered scheme to which the product or investment option relates.
- (4A) Subject to subclause (4B), an entity is also an interposed vehicle in relation to a product or investment option if:
 - (a) the Product Disclosure Statement for the product or investment option or any other information issued by the responsible person relating to the product or investment option issued by the responsible person that has been given or may be reasonably be expected to be given to retail clients refers to "property", "real estate" or "land" or similar terms in the description of the product or investment option or as one of the assets (relevant asset) in which investment may be made under the product or investment option; and
 - (b) real property or an interest in land to which the reference relates is directly or indirectly held by or through the entity;
- (4B) An entity is not an interposed vehicle because of subclause (4A) if both the following are satisfied:
 - (a) the reference in the Product Disclosure Statement or other information is merely part of a reference to an entity (whether specified or not) that directly or indirectly invests in real property or interests in land or to physical infrastructure referred to in paragraphs (a) to (j) of the definition of infrastructure entity in subclause (6);
 - (b) a retail client who has read the Statement or other information could not reasonably believe that the product or investment option or the relevant asset may be intended for persons predominantly intending to benefit from increases in the value of, or returns from holding, real property or an interest in land other than physical infrastructure referred to in paragraphs (a) to (j) of the definition of infrastructure entity in subclause (6).
- (4C) Subject to subclause (4D), an entity is also an interposed vehicle in relation to a product or investment option if:
 - (a) the Product Disclosure Statement for the product or investment option or any other information issued by the responsible person relating to the product or investment option that has been given or may be reasonably expected to be given to retail clients refers to the product or option as being directly or indirectly invested in or through an entity (whether specified or not) other than an infrastructure entity which the responsible person believes has a majority of its assets invested in physical infrastructure referred to in paragraphs (a) to (j) of the definition of infrastructure entity in subclause (6); and

- (b) the reference relates to the entity.
- (4D) An entity is not an interposed vehicle because of subclause (4C) if:
 - (a) either of the following is satisfied:
 - (i) the entity is admitted to the official list of a prescribed financial market or a financial market operated outside of this jurisdiction that is regulated by a foreign government or an agency of a foreign government;
 - (ii) the issuer of the securities or financial products of the entity has applied, or stated in a regulated disclosure that they will apply, for such admission; and
 - (b) the securities or financial products of the entity are, or are to be, held under an investment strategy for the product or investment option that:
 - (i) relates to, or is publicly measured by the responsible person by reference to, a widely used index (reference index) of securities or financial products of entities that satisfy subparagraph (a)(i); and
 - (ii) is a strategy of holding directly or indirectly securities or financial products:
 - (A) of entities that satisfy paragraph (a); and
 - (B) that represent at least 80% by value of the net assets attributable to the investment strategy; and
 - (c) the value of all the securities or financial products of the entity that are in the same class as the securities or financial products held under the investment strategy does not exceed 30% of the value of the reference index.
- Note: If paragraphs (a) to (c) are satisfied in relation to an entity, the entity may still be an interposed vehicle because of provisions of clause 101B other than subclause (4C).
- (5) Despite anything in subclauses (1) to (4D), an entity will not be an interposed vehicle in relation to a product or investment option if all of the following apply:
 - (a) the Product Disclosure Statement for the product or an investment option states that a holder of the product may give instructions, directions or requests for financial products to be acquired;
 - (b) the responsible person for the Product Disclosure Statement has published a list of financial products in relation to which the instructions, directions or requests may be given that includes a security or interest in the entity;
 - (c) the arrangement under which the instructions would be acted on is a custodial arrangement as defined in subsection 1012IA(1) of the Act.
- (6) In this clause:

infrastructure entity means an entity that provides a return to its shareholders or members mainly from owning or operating any of the following:

 - (a) airports;
 - (b) electricity generation, transmission or distribution facilities;
 - (c) gas transmission or distribution facilities;
 - (d) hospitals;
 - (e) ports;
 - (f) railways;
 - (g) roads;
 - (h) sewerage facilities;
 - (i) telecommunication facilities;
 - (j) water supply facilities; or
 - (k) other physical infrastructure.

