

# PERPETUAL PURE CREDIT ALPHA FUND

Product Disclosure Statement

**PRODUCT DISCLOSURE STATEMENT**

Issue number 2 dated 1 June 2016

Issued by Perpetual Investment Management Limited

ABN 18 000 866 535 AFSL 234426

Perpetual 

## IMPORTANT NOTES

In this Product Disclosure Statement (PDS), 'Fund' means Perpetual Pure Credit Alpha Fund (ARSN 121 609 747), a managed investment scheme that is registered with the Australian Securities and Investments Commission (ASIC).

The Fund's constitution allows for multiple unit classes, which may have different rights and obligations (including fees and terms) attached to them. Within each class of units, the units have the same rights. This PDS offers investment in the Fund's 'Class W units'. Any reference to the Fund is a reference to Class W units in the Fund.

References in this PDS to 'we', 'us', 'our', 'Perpetual Investments' and 'Perpetual' are to Perpetual Investment Management Limited as:

- the responsible entity of the Fund
- the issuer of units in the Fund and this PDS
- the investment manager of the Fund.

Perpetual Investment Management Limited is a wholly owned subsidiary of Perpetual Limited (ABN 86 000 431 827).

'Perpetual Group' means Perpetual Limited and its subsidiaries.

We authorise the use of this PDS as disclosure for both investors investing directly in the Fund and indirect investors that wish to access the Fund through an investor directed portfolio service (IDPS), IDPS-like scheme, a nominee or custody service or any other trading platform authorised by Perpetual (collectively referred to in this PDS as a 'Service').

If you are an indirect investor gaining exposure to the Fund through a Service, you do not yourself become an investor in the Fund. Instead, it is the Service operator, which invests for you and acts on your behalf, that has the rights of an investor. Certain provisions of the Fund's constitution are not relevant to indirect investors. For example, indirect investors cannot attend investor meetings or transfer or mortgage units in the Fund. You can request reports on your investment in the Fund from the Service operator and you should direct any inquiries to them.

'You' or 'your' refers to direct (including Service operators) and/or indirect investors in the Fund, as the context requires.

This PDS describes the important features of the Fund. You should read it carefully before you decide to invest as it will help you to decide whether the Fund is appropriate for you. It contains general information only and doesn't take into account your specific financial situation or investment goals. This PDS will also help when comparing the Fund to others you may be considering.

We recommend that you seek financial advice before making an investment decision. If you have questions about investing in the Fund, you should speak to your financial adviser. You should consider the tax implications of investing in the Fund, which your financial and/or tax adviser will be able to help you with.

We may update this PDS (as well as the terms and features of the Fund where we can according to the Fund's constitution and the law) with changes that are not materially adverse without issuing a supplementary PDS. The PDS and updated information will be available at our website and you can also obtain a paper copy free of charge, on request. If we become aware of any change that is materially adverse, we'll replace this PDS or issue a supplementary PDS. Any replacement and/or supplementary PDS will be available at our website and you can also obtain a paper copy free of charge, on request. If there is an increase in fees or charges (other than government fees or charges), we'll give you or your Service operator (as applicable) at least 30-days' prior written notice.

You should keep a copy of the current PDS and any replacement and/or supplementary PDS for future reference. You can access further information that has been made publicly available, that might influence your decision, at our website or by contacting us.

Visit our website or contact us for the most up-to-date past investment returns. Past investment returns are not indicative of future returns, so you shouldn't base your decision to invest in the Fund on past investment returns.

Neither we nor any company in the Perpetual Group guarantee that you will earn any return on your investment or that your investment will gain in value or retain its value. Investment in the Fund is subject to investment risk, including possible delays in repayment and loss of income and capital invested.

This PDS can only be used by investors receiving it (electronically or otherwise) in Australia.

All amounts in this PDS are in Australian dollars and all times quoted are Sydney time (unless otherwise specified). A business day is a working day for Perpetual in Sydney.



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# ABOUT THE FUND

## BENEFITS OF INVESTING

The Fund aims to provide investors with a positive return above the cash rate over rolling three-year periods (before fees and taxes) by primarily investing in and actively trading fixed income securities and related derivatives.

Perpetual aims to achieve the Fund's objective by utilising an active and risk aware investment process that leverages the full use of the Perpetual Credit team's experience. The strategy will allow the team discretion to invest in areas of the market or a company's capital structure where they see relative value.

## INVESTMENT MANAGER

Perpetual Investments is one of Australia's leading investment managers with \$29.8 billion in funds under management (as at 31 March 2016). Perpetual Investments is part of the Perpetual Group, which has been in operation for over 125 years. By employing some of the industry's best investment specialists and applying a proven investment philosophy, Perpetual Investments has been able to help generations of Australians manage their wealth.

## KEY INVESTMENT PERSONNEL

Biographies of the Fund's portfolio managers are available at [www.perpetual.com.au/about-asset-management-team.aspx](http://www.perpetual.com.au/about-asset-management-team.aspx) (refer 'Credit and Fixed Income Portfolios').

## KEY FEATURES RELATING TO THE FUND

ASIC requires the following specific information be provided for certain funds that pursue complex investment strategies (eg via use of leverage, derivatives and short selling) and/or have other characteristics (eg complex structures and/or performance fees) that may result in increased risk:

- periodic reporting
- investment strategy
- investment manager
- fund structure
- valuation, location and custody of assets
- liquidity
- leverage
- derivatives
- short selling
- withdrawals.

We are required to provide such additional information in relation to the Fund because:

- the Fund's investment strategy includes gearing
- the Fund uses derivatives for certain purposes, including to create short positions on credit securities.

The 'Key features relating to the Fund' table on page 4 provides a summary of how Perpetual complies with this requirement. To the extent that any particular details are not already contained within this document, additional information, which also forms part of this PDS, will be available at our website (see 'Incorporation by reference' on page 21 for details) or can be obtained free of charge by contacting us.

## KEY SERVICE PROVIDERS

Perpetual has appointed the following independent key service providers for the Fund as at the date of this PDS:

- investment administrator – RBC Investor Services Trust
- custodian – RBC Investor Services Trust
- auditor – KPMG
- unit registry – Tech Mahindra Limited.

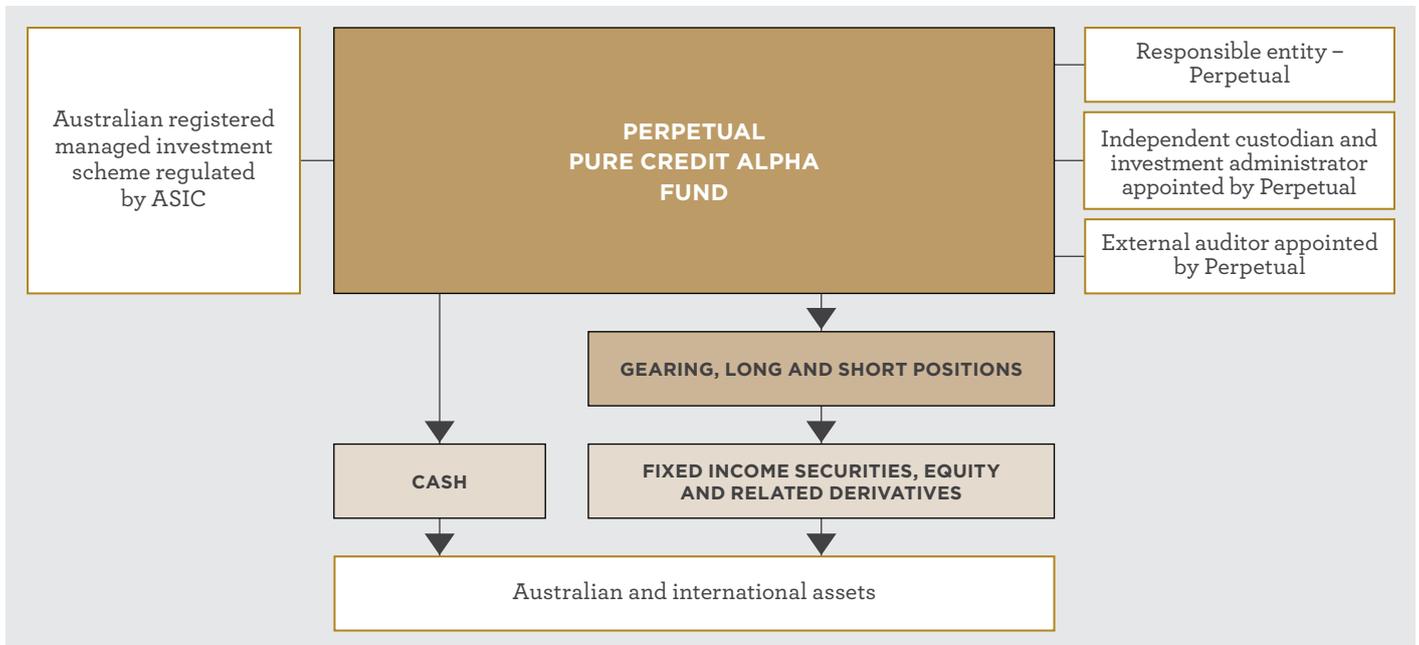
Any subsequent changes to these key service providers will be notified via our website.

Perpetual monitors the investment administrator, custodian and unit registry service providers in a number of ways, including:

- obtaining internal controls reports which are independently audited
- holding regular relationship meetings
- receiving periodic compliance certifications.

## FUND STRUCTURE

The following diagram illustrates the investment structure that applies to the Fund at the date of this PDS.



## KEY FEATURES RELATING TO THE FUND

FEATURE	DETAILS
<b>Periodic reporting</b>	<p>The following information, updated at least annually, will be available at our website:</p> <ul style="list-style-type: none"> <li>• the derivative counterparties engaged by the Fund</li> <li>• any changes to key service providers.</li> </ul> <p>The following information, updated monthly, will be available at our website:</p> <ul style="list-style-type: none"> <li>• the asset and geographic allocations of the Fund</li> <li>• the Fund's gearing level</li> <li>• the Fund's long, short and net position percentages</li> <li>• net asset value of the Fund</li> <li>• net returns of the Fund</li> <li>• any material changes in the Fund's risk profile</li> <li>• any material changes in the Fund's investment strategy.</li> </ul>
<b>Investment strategy</b>	<p>The objective, investment approach and investment guidelines for the Fund are shown in the 'Fund profile' on page 5.</p> <p>You should also refer to 'Understanding investment risk' on page 7 for information about the risks of investing in the Fund and how these risks are managed.</p>
<b>Investment manager</b>	<p>Perpetual is the responsible entity and investment manager of the Fund – refer 'Investment manager' on page 2 for further information.</p>
<b>Fund structure</b>	<p>The Fund may invest in assets directly or indirectly via other Perpetual managed funds that have similar investment objectives and authorised investments – refer 'Fund structure' on page 3 for further information.</p> <p>The Fund's management costs include its management fee and any indirect costs – refer 'Management costs' on page 9 for details.</p>
<b>Valuation, location and custody of assets</b>	<p>The Fund predominantly invests in cash (deposits and money market) and fixed income securities, but may have exposure to other securities as well as derivative instruments (refer 'Fund investments' on page 6 for descriptions of these types of assets) following the 'Investment guidelines' detailed on page 5 and 'Investment approach' detailed on page 5.</p> <p>There are no specific guidelines or constraints on the geographic location of the Fund's international assets.</p> <p>All of the Fund's investments are valued at market value by an independent investment administrator appointed by Perpetual (refer 'Key service providers' on page 2 for details). The net asset value of the Fund is generally determined each business day – refer to 'How units are priced and investments are valued' on page 18 for further information.</p> <p>Perpetual has also appointed an independent custodian to hold the Fund's assets (refer 'Key service providers' on page 2 for details).</p>
<b>Liquidity</b>	<p>The Fund is operated as a liquid managed investment scheme – refer 'Liquidity risk' on page 7, 'Withdrawals' on page 13 and below and 'Suspension of applications and withdrawals' on page 21 for further information.</p>
<b>Leverage</b>	<p>The Fund uses gearing as a key part of its investment strategy – refer 'Investment guidelines' within the 'Fund profile' on page 5 and 'Gearing risk' on page 7 for information about associated risks.</p>
<b>Derivatives</b>	<p>Derivatives may be used in the management of the Fund – refer 'Use of derivatives' on page 6 for details and 'Derivatives risk' on page 7 for information about associated risks.</p>
<b>Short selling</b>	<p>The Fund may use derivatives to create short positions on credit securities. However, the Fund does not engage in traditional short selling involving the borrowing of actual securities.</p>
<b>Withdrawals</b>	<p>The Fund is operated as a liquid managed investment scheme, however withdrawals from the Fund are only processed on a <b>monthly</b> basis. You can generally request a withdrawal of all or part of your investment in the Fund at any time as long as you maintain the required minimum balance after any partial withdrawal from the Fund – refer 'Withdrawals' on page 13 and 'Suspension of applications and withdrawals' on page 21 for further information.</p>

# FUND PROFILE

## PERPETUAL PURE CREDIT ALPHA FUND

<b>Commencement date</b>	March 2012										
<b>Suitability</b>	Designed for investors with the appropriate risk level, investment timeframe and objective – see below.										
<b>Risk level<sup>1</sup></b>	5 – Medium to high										
<b>Minimum suggested timeframe<sup>2</sup></b>	Three years or longer										
<b>Investment return objective</b>	The Fund aims to provide investors with a positive return above the cash rate over rolling three-year periods (before fees and taxes) by primarily investing in and actively trading fixed income securities and related derivatives.										
<b>Investment approach<sup>3</sup></b>	The Fund's investment portfolio will be diversified, taking into account changes in market-wide and security-specific credit margins while seeking to maximise returns from liquidity premiums. In addition, it is the intention to enhance returns through: <ul style="list-style-type: none"> <li>• the ability to purchase securities with no minimum credit rating</li> <li>• the appropriate use of leverage</li> <li>• investing in different levels of the capital structure based on opportunities in the market</li> <li>• creating short positions on credit securities using derivatives.</li> </ul>										
<b>Investment guidelines<sup>4</sup></b>	<table> <tr> <td>Investment grade<sup>5</sup> debt</td> <td>50-100%</td> </tr> <tr> <td>Sub-investment grade<sup>6</sup>/non-rated debt</td> <td>0-50%</td> </tr> <tr> <td>Equity</td> <td>0-15%</td> </tr> <tr> <td>Illiquid assets<sup>7</sup></td> <td>0-15%</td> </tr> <tr> <td>Gearing level<sup>8</sup></td> <td>0-50%</td> </tr> </table>	Investment grade <sup>5</sup> debt	50-100%	Sub-investment grade <sup>6</sup> /non-rated debt	0-50%	Equity	0-15%	Illiquid assets <sup>7</sup>	0-15%	Gearing level <sup>8</sup>	0-50%
Investment grade <sup>5</sup> debt	50-100%										
Sub-investment grade <sup>6</sup> /non-rated debt	0-50%										
Equity	0-15%										
Illiquid assets <sup>7</sup>	0-15%										
Gearing level <sup>8</sup>	0-50%										
<b>Applications<sup>9</sup></b>	Daily										
<b>Withdrawals<sup>10</sup></b>	Monthly										
<b>Distribution frequency and dates<sup>11</sup></b>	Quarterly – as at 31 March, 30 June, 30 September and 31 December										

1 The risk level represents the Standard Risk Measure (SRM), which is based on industry guidance to allow investors to compare funds that are expected to deliver a similar number of negative annual returns over any 20 year period, as follows.

RISK BAND	RISK LABEL	ESTIMATED NUMBER OF NEGATIVE ANNUAL RETURNS OVER ANY 20 YEAR PERIOD
1	Very low	Less than 0.5
2	Low	0.5 to less than 1
3	Low to medium	1 to less than 2
4	Medium	2 to less than 3
5	Medium to high	3 to less than 4
6	High	4 to less than 6
7	Very high	6 or greater

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

You should still ensure you are comfortable with the risks and potential losses associated with the Fund.

The SRM for the Fund may change over time for various reasons, including as a result of reviews of the underlying capital market assumptions that are used in their calculation and future changes to asset allocations. Any changes to the SRM at any time will be available at our website.

2 This is a guide only and not a recommendation. When choosing a fund in which to invest, you should consider the likely investment return, the risk and your investment timeframe. We recommend you consult a financial adviser for assistance in determining whether the Fund is appropriate for you.

3 See 'Investment approach' on page 6 for more information.

4 This provides an indication of what the Fund will invest in. You can obtain information on the actual asset allocations (updated as at the end of each month) at our website or by contacting us.

5 Investment grade is a term given to debt securities that have a high probability of payment of interest and repayment of principal.

6 Sub-investment grade is a term given to debt securities where there is a higher risk that the issuer may not be able to meet interest payments or the repayment of principal if difficult conditions arise. The Fund predominantly invests in investment grade debt securities, but we may increase our sub-investment grade exposure under favourable economic conditions. Sub-investment grade debt securities may include, but are not limited to, private debt, hybrids and collateralised loan obligations.

7 Illiquid assets are defined as assets that have no readily available secondary market.

8 The gearing level is the Fund's borrowings divided by the total gross value of assets. It will depend on the present levels and future expectation of the Fund's net income (income after fees and expenses).

9 See 'Investments' on page 13 for more information.

10 See 'Withdrawals' on page 13 for more information.

11 See 'Distributions' on page 14 for more information.

## **ADDITIONAL INVESTMENT INFORMATION**

### **FUND INVESTMENTS**

The Fund predominantly invests in cash (deposits and money market) and fixed income securities, but may have exposure to other securities as well as derivative instruments. The Fund predominantly holds Australian assets but may also hold offshore assets (for which the currency risk may be hedged).

The Fund may invest in assets directly or indirectly via other Perpetual managed funds that have similar investment objectives and authorised investments.

### **CASH**

Cash investments include bank accounts, discount securities (eg bank bills), short-term deposits and money market funds which may invest in fixed income instruments and loans. Cash provides a relatively consistent rate of return in the form of regular interest payments, generally in line with short-term interest rates and is widely considered the lowest investment risk.

### **DEPOSITS**

Deposits are products offered by authorised deposit-taking institutions (ADIs). ADIs are regulated by the Australian Prudential Regulation Authority (APRA), which enforces standards designed to ensure that under all reasonable circumstances ADIs can meet their obligations to depositors.

### **MONEY MARKET**

Money market instruments are considered highly liquid fixed income instruments with a short maturity profile.

### **FIXED INCOME**

Fixed income securities are instruments issued by an issuer for a pre-determined period. The issuers may include governments, banks, corporations and asset backed trusts. The instruments when issued usually provide a return in the form of defined periodic income payments and the return of principal at maturity. These income payments are either fixed when issued or set periodically against a benchmark. Some of these instruments contain both debt and equity characteristics (eg hybrids), which may convert to common equity and may pay income in the form of a franked dividend.

### **EQUITY**

Equity includes common equity, being the amount that all common shareholders have invested in a company, and deeply subordinated structured debt instruments such as collateralised debt obligations and asset-backed securities. In the hierarchy of creditors in the event of default, holders of subordinated debt rank behind the liquidator, government tax authorities and senior debt holders.

### **DERIVATIVES**

A derivative is a financial instrument that derives its value from the price of a physical security or market index. Derivatives include, but are not limited to, futures, options, swaps and forward foreign exchange contracts.

## **INVESTMENT APPROACH**

Perpetual aims to achieve the Fund's objectives by:

- diversifying the Fund amongst different securities issued by various entities
- actively managing for changes in market wide and security specific credit margins
- identifying and investing in relative value within the universe of credit securities
- investing in longer term non-government securities
- maximising returns from liquidity premiums
- utilising derivatives in conjunction with authorised investments
- actively managing the portfolio with respect to interest rates, swap and credit margins and managing the portfolio's sensitivity to these
- utilising limited exposure to illiquid assets.

### **USE OF DERIVATIVES**

Derivatives may be used in the management of the Fund for a range of investment activities including, but not limited to, the following purposes:

- managing actual and anticipated interest rate risk and credit exposure
- managing the duration of the Fund
- managing currency risk and adjusting currency exposure
- achieving asset exposures without buying or selling the underlying securities
- creating short exposure to a security
- adding to the gearing level of the portfolio
- taking advantage of price differences (known as arbitrage).

The use of derivatives is consistent with the Fund's investment guidelines and objectives.

The derivatives used by the Fund are mostly exchange traded derivatives. For any over-the-counter (OTC) derivatives, counterparties must have minimum long and short-term credit ratings from a recognised ratings agency that are acceptable to us. A list of OTC derivative counterparties is available at our website.

### **ENVIRONMENTAL, SOCIAL AND ETHICAL FACTORS AND LABOUR STANDARDS**

Perpetual is a signatory to the United Nations-supported Principles for Responsible Investment (PRI). PRI signatories undertake to consider environmental, social (including labour standards) and corporate governance (ESG) factors in their investment decision-making and ownership practices.

Our consideration of ESG factors does not include making ethical or moral judgements on particular practices or issues. Instead, when deciding whether to buy, retain or sell an investment, our investment managers consider those ESG risks only to the extent that they are relevant to the current or future value of the investment.

# UNDERSTANDING INVESTMENT RISK

## THE RISKS OF INVESTING

All investments carry risk. The value of your investment may fall for a number of reasons, which means that you may receive back less than your original investment when you withdraw or you may not receive income over a given timeframe. Before making an investment decision, it's important to understand the risks that can affect the value of your investment. While it's not possible to identify every risk relevant to investing in the Fund, we have detailed in the following table significant risks that may affect your investment. Different strategies may carry different levels of risk, depending on the assets that make up the strategy, and assets with the highest long-term returns may also carry the highest level of short-term risk due to their generally larger fluctuations in returns.

Your financial adviser can assist you in determining whether the Fund is suited to your financial needs.

## HOW WE MANAGE THESE RISKS

While we can't completely eliminate investment risks, we aim to manage the impact of these risks by setting consistent and carefully considered investment guidelines.

## SIGNIFICANT RISKS

TYPE OF RISK	DESCRIPTION OF RISK
Market and economic risk	Certain events may have a negative effect on the price of all types of investments within a particular market. These events may include changes in economic, social, technological or political conditions, as well as market sentiment.
Asset risk	A particular asset that a fund invests in may fall in value, which can result in a reduction in the value of your investment.
Currency risk	For investments in international assets, which have currency exposure, there is potential for adverse movements in exchange rates to reduce their Australian dollar value. For example, if the Australian dollar rises, the value of international investments expressed in Australian dollars can fall.
Interest rate risk	Changes in interest rates may have a negative impact, either directly or indirectly, on investment returns.
Credit risk	The issuer or party to a transaction may not repay the principal, make interest payments or fulfil other financial obligations in full and/or on time. The market value of an investment can also fall significantly when the perceived risk of a note or bond increases or its credit rating declines.
Liquidity risk	The absence of an established market or shortage of buyers for an investment can result in a loss if the holder of the investment needs to sell it within a particular timeframe. A shortage of liquidity can also result in delays in the payment of withdrawals from a fund. Investors should note that withdrawals from the Fund are only processed monthly. Depending on when you lodge a withdrawal request, it could be 60 days or longer before you receive the proceeds of your withdrawal – see 'Withdrawals' on page 13 for further information.
Derivatives risk	Derivative values can fluctuate significantly and in certain circumstances a derivative can be more volatile than the underlying asset or index. The value of a derivative contract may fall as a result of an adverse movement in the underlying asset or index. Losses can be magnified where a greater exposure is created through the derivative position than is backed by the assets of a fund. Derivatives may also be subject to liquidity risk and/or counter-party risk. Depending on market conditions derivative positions can be costly or difficult to reverse. See 'Use of derivatives' on page 6 for further information about how derivatives may be used in the management of the Fund.
Counter-party risk	A loss may occur if the other party to a contract, including derivatives contracts, defaults on their obligations under the contract.
Gearing risk	Gearing increases the volatility of a fund's investment returns and the greater the level of gearing, the greater the potential for loss of investment capital. While gearing can result in larger investment gains in a rising market, it is also likely to magnify losses in a falling market. For example, a 10% fall in the value of assets in a fund with a gearing level of 50% would result in an effective rate of loss of 20%. Using derivatives for gearing also exposes the Fund to derivatives risk (see 'Derivatives risk' above).
Legal and regulatory risk	Changes in legislation and differences between rules (including interpretation of the law) in domestic and foreign markets, including those dealing with taxation, accounting and investments, may adversely impact your investment.
Other risks	The investment professionals employed to manage the Fund may change, which may affect the future performance of the Fund. Investing in the Fund may have a different tax outcome than investing directly because of the application of tax laws to the Fund and the impact of investments and withdrawals by other investors. One result is that you may receive back some of your capital as income in a distribution. Transactions may be suspended, which may result in delays in paying withdrawal requests. The Fund may be terminated.

# FEES AND OTHER COSTS

## DID YOU KNOW?

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

For example, total annual fees and costs of 2% of your investment 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 us or your financial adviser.

## TO FIND OUT MORE

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

## FEES AND OTHER COSTS

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

Tax information, including goods and services tax (GST), is set out on pages 16-17. Unless otherwise stated, all fees and other costs disclosed in this PDS are inclusive of the net effect of GST.

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

If you are an indirect investor, any additional fees that you may be charged by your Service operator for investing in the Fund via their Service should be set out in your Service operator's disclosure document.

## FEES AND OTHER COSTS

PERPETUAL PURE CREDIT ALPHA FUND		
TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
<b>FEES WHEN YOUR MONEY MOVES IN OR OUT OF THE MANAGED INVESTMENT PRODUCT</b>		
<b>Establishment fee</b> The fee to open your investment	Nil.	Not applicable.
<b>Contribution fee</b> The fee on each amount contributed to your investment	Nil. <sup>1,2</sup>	Not applicable.
<b>Withdrawal fee</b> The fee on each amount you take out of your investment	Nil. <sup>1,2</sup>	Not applicable.
<b>Exit fee</b> The fee to close your investment	Nil.	Not applicable.
<b>MANAGEMENT COSTS<sup>1,3</sup></b>		
The <b>estimated</b> fees and costs for managing your investment	1.00% pa of the net asset value of the Fund.	Management costs may be charged directly to the Fund and/or incurred indirectly in underlying funds.  The management fee is calculated and accrued daily and paid to us monthly. It is deducted directly from the Fund's assets and reflected in the unit price of the Fund each day.  Indirect costs are payable when incurred.
<b>SERVICE FEES</b>		
<b>Switching fee</b> The fee for changing investment options	Not applicable.	Not applicable.

1 See 'Maximum fees and charges' on page 10 for details of the maximum fee amounts allowed under the Fund's constitution.

2 A buy/sell spread will generally apply (see 'Transaction costs' on page 9 for details).

3 See 'Management costs' on page 9 for further information, including details about how the management fee may be negotiated in certain circumstances.

## ADDITIONAL EXPLANATION OF FEES AND COSTS

### MANAGEMENT COSTS

The total management cost for the Fund comprises:

- the management fee
- indirect costs.

### ESTIMATED MANAGEMENT COSTS

MANAGEMENT FEE (% PA)	INDIRECT COSTS (% PA)		TOTAL ESTIMATED MANAGEMENT COST (% PA)
	ESTIMATED EXPENSE RECOVERIES <sup>1</sup>	ESTIMATED OTHER INDIRECT COSTS <sup>2</sup>	
1.00%	0.00%	0.00%	1.00%

1 Since we currently choose to pay normal operating expenses out of our management fee, this amount represents any abnormal operating expenses recovered from the Fund for the year ended 30 June 2015, which may vary in future years.

2 See 'Other indirect costs' on this page for further information.

### MANAGEMENT FEE

We receive a management fee for managing your investments in the Fund, which includes providing administration and custodian services.

### DIFFERENTIAL FEES

We may negotiate a rebate of all or part of our management fee with wholesale clients (as defined by the Corporations Act) and employees of the Perpetual Group.

The payment and terms of rebates are negotiated with wholesale clients but are ultimately at our discretion, subject to the Corporations Act and ASIC policy.

### INDIRECT COSTS

#### EXPENSE RECOVERIES

Expense recoveries can be paid directly from the Fund's assets or if the expenses are incurred by us for the proper performance of our duties and obligations as responsible entity of the Fund, we're entitled to be reimbursed for these amounts from the Fund.

There is no limit in the Fund's constitution on the amount that can be reimbursed for expense recoveries that are reasonably and properly incurred.

#### NORMAL OPERATING EXPENSES

Normal operating expenses are those incurred in the day-to-day operation of the Fund.

We currently choose to pay normal operating expenses out of our management fee.

#### ABNORMAL OPERATING EXPENSES

We can also be reimbursed from the Fund for any abnormal operating expenses incurred in performing our duties and obligations in administering the Fund. These abnormal operating expenses aren't generally incurred during the day-to-day operation of the Fund and aren't necessarily incurred in any given year. They're due to abnormal events like the cost of running an investor meeting, or legal costs incurred by changes in the Fund's constitution.

The amounts shown in the following table include all direct and indirect management costs.

Actual management costs may vary in future years. Updated details will be available at our website following our finalisation of the Fund's audited financial statements each year.

### OTHER INDIRECT COSTS

Other indirect costs may also be incurred where:

- the Fund invests into an underlying fund
- the Fund or an underlying fund uses some types of OTC derivatives for certain purposes.

Any relevant other indirect costs for the year ended 30 June 2015, which may vary in future years, are reflected in the 'Estimated other indirect costs' amount in the 'Estimated management costs' table on this page.

#### MANAGEMENT FEES IN UNDERLYING FUNDS

Managers of underlying funds will generally charge a management fee for their services. These fees will be deducted from the underlying funds and reflected in their unit price. With the exception of some unlisted securities, Perpetual will otherwise compensate the Fund for these amounts so they are not an indirect cost to you.

#### FEES RELATING TO INVESTMENT PERFORMANCE IN UNDERLYING FUNDS

Managers of underlying funds may also charge fees based on investment performance. These fees will be deducted from the underlying funds and reflected in their unit price. If charged, these amounts will be an indirect cost to you.

#### OTHER UNDERLYING MANAGEMENT EXPENSES

Managers of underlying funds may also charge expense recoveries or incur other indirect costs. These amounts will usually be an indirect cost to you.

### TRANSACTION COSTS

In managing the investments of the Fund, transaction costs such as brokerage, settlement costs, clearing costs and government charges may be incurred by changes in the Fund's investment portfolio, or when the Fund experiences cash flows in or out of it.

When the Fund incurs transaction costs from changing its investment portfolio, they are paid out of the Fund's assets and reflected in its unit price.

Transaction costs that are incurred because investors buy or sell units in the Fund are also paid from the Fund's assets, but they are offset by the transaction cost allowances that are included in the calculation of the Fund's entry and/or exit unit prices, as described under 'Buy/sell spread' below.

### BUY/SELL SPREAD

Estimated transaction costs are allocated when an investor buys or sells units in the Fund by incorporating a buy/sell spread between the Fund's entry and exit unit prices, where appropriate. This aims to ensure that other investors aren't impacted by the transaction costs associated with a particular investor buying or selling units in the Fund. We have discretion to waive the buy/sell spread on applications or withdrawals where no transaction costs are incurred.

The buy/sell spread is an additional cost to you. The spread is based on our estimates of the average transaction costs incurred by the Fund. However, it is not a fee paid to us and is retained in the Fund to cover the actual transaction costs as they are incurred.

The buy/sell spread will impact the return on your investment. As it is built into the Fund's unit prices, it won't be recorded separately on investor statements.

Estimated transaction costs, which are used to determine the buy/sell spread, are reviewed regularly. Consequently, the buy/sell spread current as at the issue date of this PDS may change (increase or decrease) during the life of this PDS. The buy/sell spread for the Fund, which forms part of the PDS, is publicly available at our website (see 'Incorporation by reference' on page 21 for details) or can be obtained free of charge by contacting us.

GST is not applicable to any buy/sell spread when you buy or sell units in the Fund.

### MISCELLANEOUS FEES

If we incur a fee because a cheque or direct debit for your investment in the Fund is dishonoured by your financial institution, the amount will be charged to your investment.

### GOVERNMENT CHARGES

If you are a direct investor, government charges will be applied to your account as appropriate.

### MAXIMUM FEES AND CHARGES

The Fund's constitution allows us to charge maximum fees as outlined below.

FEE OR COST	MAXIMUM
Contribution fee	5% of the investment amount
Withdrawal fee	5% of the withdrawal amount
Management fee (excluding expenses)	3% pa of the gross asset value of the Fund
Performance fee	20% of the Fund's return above its performance hurdle
Expense recoveries	Unlimited

Amounts disclosed are inclusive of GST.

### INCREASES OR ALTERATIONS TO THE FEES

Where applicable, we have disclosed the maximum amount payable for each fee. Fees may change for many reasons including changes in the competitive, industry and regulatory environment or simply from changes in costs. We won't increase our fees, or introduce contribution, withdrawal or performance fees, without giving you or your Service operator (as applicable) at least 30-days' written notice except for government fees or charges.

### TAX

Tax information, including GST, is set out on pages 16-17.

### ADVISER REMUNERATION

#### FINANCIAL ADVISER COMMISSIONS

No commissions are paid to your financial adviser.

#### OTHER BENEFITS

As a result of your investment in the Fund your financial adviser may receive other non-monetary benefits (where allowed by law), which are not an additional cost to you.

### PAYMENTS TO DEALER GROUPS

Where the payment and receipt of dealer payments is allowable under the law, certain dealer groups (of which your adviser and/or Service operator may be a part) may also receive payments. If these payments are made, they are not paid by you or the Fund, rather they are paid by us. These amounts may be up to 1.0% per annum (including GST, if applicable) of the funds invested via the dealer group.

### PRODUCT ACCESS PAYMENTS

We may make payments to platform providers for distributing our Fund on their investments menu (where allowed by law). These payments may help them recover their costs incurred in establishing our Fund on their menu and certain other marketing and distribution costs. These amounts may be up to 1.0% per annum (including GST, if applicable) of the funds invested with us. If these payments are made, they are not paid by you or the Fund, but rather they are paid by us.

### BENEFITS RECEIVED

As a result of brokerage paid by the Fund, we may receive benefits such as investment research, which we may use for any investment purpose, including for the Fund.

## EXAMPLE OF ANNUAL FEES AND COSTS

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

EXAMPLE - PERPETUAL PURE CREDIT ALPHA FUND		BALANCE OF \$100,000 <sup>1</sup> WITH A CONTRIBUTION OF \$5,000 DURING YEAR
Contribution fees	0.00%	For every additional \$5,000 you put in, you will be charged \$0.00. <sup>2</sup>
<b>PLUS</b> Management costs <sup>1</sup>	1.00%	<b>And</b> , for every \$100,000 you have in the Fund you will be charged \$1,000.00 each year.
<b>EQUALS</b> Cost of Fund		If you had an investment of \$100,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees of <b>\$1,000.00</b> . <sup>1,2</sup> <b>What it costs you will depend on the Fund's actual indirect costs and the fees you negotiate with us, your financial adviser or Service operator.</b>

1 We have assumed a constant value of \$100,000 for the whole year.

2 A buy spread of 0.25% (as at the issue date of this PDS and which may have since changed), equal to \$12.50 on a \$5,000 contribution, will also apply.

# OPERATING YOUR ACCOUNT

When you invest in the Fund, your money is pooled with investments from other investors and used to buy assets for the Fund, which we manage on behalf of all investors.

When you invest, you (or your Service operator on your behalf, if applicable) will be allocated units in the Fund. The value of your investment in the Fund will vary as the Fund's daily unit prices change to reflect increases or decreases in the market value of the Fund's underlying assets.

## DIRECT INVESTORS

Unless otherwise indicated, the following information in this section (pages 12-15) applies to **direct investors**.

## INDIRECT INVESTORS

You can invest in the Fund or withdraw all or part of your investment in the Fund by directing your Service operator to lodge an investment application or withdrawal request, as applicable, with us.

If you are investing indirectly through a Service, you should contact your Service operator for details about the following as they may vary due to the Service operator's requirements:

- any minimum investment and withdrawal amounts
- processing requirements and timeframes
- distribution payment options
- identification verification procedures
- privacy policy.

You should also use any relevant application and other forms provided by your Service operator.

FEATURE/ TRANSACTION	SUMMARY INFORMATION	FURTHER INFORMATION
<b>Initial investment</b>	The minimum initial investment in the Fund is \$100,000, which may be paid by cheque or direct debit. <ul style="list-style-type: none"> <li>• <b>Investments by cheque</b> – attach a cheque to your application form.</li> <li>• <b>Investments by direct debit</b> – we'll debit your initial investment amount directly from your nominated account once we've accepted your application.</li> </ul>	page 13
<b>Additional investments</b>	You can increase your interest in the Fund at any time with additional investments of at least \$5,000 by BPAY® or direct debit. <ul style="list-style-type: none"> <li>• <b>Investments by BPAY</b> – read the current PDS and remit your additional investment amount to us quoting your CRN and the <b>Fund's BPAY biller code 489070</b>.</li> <li>• <b>Investments by direct debit</b> – read the current PDS, complete an application form and send it to us – we'll debit your additional investment amount directly from your nominated account once we've accepted your application.</li> </ul>	page 13
<b>Withdrawals</b>	Withdrawals from the Fund are only processed on a <b>monthly</b> basis. If you wish to make a withdrawal, send us a completed 'Withdrawal form' (available from our website or by contacting us), write to us stating your request (including your client number and account number).	page 13
<b>Distributions</b>	You can have your distributions reinvested in the Fund or deposited into your nominated account by noting your choice in section 6 of the application form.	page 14
<b>New instructions or changes</b>	Please contact us to advise of any changes to your name, address/contact details, bank account and other details/instructions. You can also send us a completed change of instructions form (available from our website or by contacting us). Any acceptable changes by phone can only be made after we've confirmed your identity. All changes to bank account details must be made in writing by mail. When requesting any new features or changes/cancellations involving transactions (eg distribution payments), we must receive your instructions at least <b>five business days</b> before a transaction date for it to apply to the next transaction.	page 15
<b>Authorised representative</b>	You can appoint an authorised representative to act on your behalf in relation to your investment in the Fund by completing section 4 of the application form.	page 15
<b>Online Account Access</b>	Online Account Access allows you to view and transact on your investment online. You should specify the level of access you want in section 5 of the application form.	page 15
<b>Updated information</b>	Go to our website or mail, phone, fax or email us for the latest information on unit prices, buy/sell spreads and investment returns and any other updated information in relation to the Fund. Other general information is also provided in the Fund's annual report, which is also available at our website.	inside back cover

## INVESTMENTS

### INITIAL INVESTMENT

The minimum initial investment in the Fund is \$100,000, which may be paid:

- by cheque or
- by direct debit.

You should indicate on your application form the amount of your investment in the Fund.

### ADDITIONAL INVESTMENTS

The minimum additional investment in the Fund is \$5,000, which may be paid:

- by BPAY or
- by direct debit.

You should obtain the current PDS (available from our website or by contacting us) before making any additional investment. Additional investments can be made at any time according to the current PDS.

### DIRECT DEBIT

You can authorise us on your application form to debit investment amounts directly from your nominated Australian bank, building society or credit union account.

We are unable to debit a third party account, so you must be a party to the bank account nominated for direct debits. For joint investors, at least one investor must be a party to the nominated account.

We will initiate direct debit drawings automatically upon acceptance of your instruction and we will not advise you beforehand. To avoid potential dishonours by your financial institution and any associated charges, it is your responsibility to ensure that:

- direct debit is available from any account you nominate
- your nominated account has a sufficient balance available to meet any authorised direct debits.

### DIRECT DEBIT REQUEST SERVICE AGREEMENT

If you elect to make investments by direct debit authority, you must read and accept the terms of our Direct Debit Request Service Agreement, which is publicly available at our website (see 'Other documents' on page 21 for details) or can be obtained free of charge by contacting us.

### BPAY

BPAY is a convenient way for you to make additional investments in the Fund from your cheque or savings account using the phone or online banking facilities provided by most Australian banks, building societies and credit unions.

If you indicate on your application form that you want to make additional investments in the Fund by BPAY, we'll send you a Customer Reference Number (CRN). You can also apply for a CRN at any other time by contacting us.

You can then simply remit additional investment amounts to us by BPAY, quoting your CRN and the Fund's **BPAY biller code 489070**.

### HOW UNITS ARE ISSUED

If our Sydney office receives and accepts your investment application (including investment amounts received by BPAY, where applicable) by 3.00pm on any business day, your investment will be processed using that day's entry price. If received and accepted after 3.00pm it will be processed using the next calculated entry price. If it's a non-working day for Perpetual in Sydney, your investment will be processed using the next available entry price.

If you are a direct investor, accepting your application includes verifying your identity from your completed 'Customer identification form' (if required) and any other information we request from you (see 'Anti-money laundering/counter-terrorism financing laws' on page 19 for more information).

The number of units issued to you (or your Service operator, as applicable) is determined by dividing your investment amount by the applicable entry price (see 'How units are priced and investments are valued' on page 18 for details about asset valuations and unit prices).

For the current entry price, visit our website or contact us.

We have the discretion:

- not to accept applications and can delay processing them if we believe that's in the best interests of investors or if required by law (see 'Suspension of applications and withdrawals' on page 21 for more information)
- to accept transactions in our Sydney office up to 5.00pm on 30 June only (or the preceding business day should 30 June fall on a weekend).

### WITHDRAWALS

You can request a withdrawal of all or part of your investment in the Fund at any time as long as you maintain a minimum balance (currently \$100,000) in the Fund after any partial withdrawal from the Fund, otherwise we may close your account and pay the balance of your investment to you.

Please complete the withdrawal form available at our website or include the following information in your withdrawal request and ensure that it is signed by the authorised signatory:

- your client number and account number
- the name of the Fund
- the number of units or amount to be withdrawn
- your payment instructions.

## PROCESSING OF WITHDRAWALS

Withdrawals from the Fund are only processed on a **monthly** basis.

If our Sydney office receives and accepts your withdrawal request by 3.00pm on the last business day of a month (the 'Prescribed Withdrawal Time'), it will be processed effective as at the first business day following one month after the Prescribed Withdrawal Time, using the exit price for that date (see 'How units are priced and investments are valued' on page 18 for information), unless withdrawals have been suspended (see 'Suspension of applications and withdrawals' on page 21).

For example, a withdrawal request received by 3.00pm on 31 July will be processed as at 1 September, and using the exit price as at 1 September. This enables the portfolio to be managed with the aim of maximising the returns for investors if the Fund is required to liquidate positions in the market. For this reason, withdrawal requests cannot be cancelled once we have received them.

The number of units redeemed for withdrawals is determined by dividing the withdrawal amount by the applicable exit price.

For the current exit price, visit our website or contact us.

Your withdrawal proceeds can be deposited into a nominated Australian bank, building society or credit union account.

Withdrawal proceeds that are paid directly into your nominated account are subject to clearance by your bank, building society or credit union from the date of deposit into your account.

We will confirm all withdrawals in writing. For your protection, withdrawals will not be paid in cash. Withdrawals of money invested by direct debit request, at our discretion, may be required to be paid back into the account from which it was debited.

The proceeds from your withdrawal will usually be available within 14 business days from when we have effectively processed the request, given normal operating conditions, but no later than 70 days from the date on which the withdrawal was effectively processed.

If you withdraw your units before the end of a distribution period, you won't receive a distribution for those units in that period. Your withdrawal amount will generally include your share of distributable income accrued in the Fund to the date of withdrawal as capital.

We may determine that part of your withdrawal amount represents a share of the distributable income including realised net capital gains for that distribution period. We will advise you if this happens.

## FAX AND EMAIL INSTRUCTIONS

We currently accept various instructions, including withdrawal requests, by fax or scanned attachment to email provided we have no reason to believe the request isn't genuine. However, for your protection, we won't accept fax or email requests in relation to withdrawals for deposits to accounts that have not been previously nominated by the investor by mail.

Conditions apply to fax and email withdrawal requests (see 'Other conditions' on page 21 for details).

## DISTRIBUTIONS

### ALL INVESTORS

A distribution is the payment of the Fund's distributable income to investors at predetermined intervals. The distributable income may include interest, dividends, foreign income, realised net capital gains and other income (see 'Tax' on page 16 for further information). The components of a distribution will depend on the nature of the Fund's underlying assets.

The distribution amount depends on the Fund's distributable income. The amount you receive will be proportionate to the number of units you hold relative to the number of units on issue at the end of the distribution period. The amount will vary and sometimes there might not be any distribution.

At the end of each distribution period, the Fund's unit price will typically fall as it is adjusted to reflect the amount of any distribution paid. As the distribution amount you receive is based on the entire distribution period, the closer you invest before the end of a distribution period the greater the possibility is that you may receive back some of your capital as income in the distribution paid for that period.

The Fund distributes quarterly as at 31 March, 30 June, 30 September and 31 December. Proceeds are generally paid within 21 days. However, the Fund's constitution allows up to 90 business days after the end of the distribution period.

The Fund's constitution lets us make special distributions on an interim basis without prior notice to you. However at 30 June each year, investors will be entitled to all distributable income that hasn't been distributed.

Any realised net capital gains are generally included in the 30 June distribution.

You still have to pay tax on the distribution even if you choose to reinvest it – see 'Distributions' under 'Tax' on page 16 for details.

### DISTRIBUTION PAYMENT OPTIONS FOR DIRECT INVESTORS

You can choose to have your distributions:

- reinvested in the Fund
- deposited into your Australian bank, building society or credit union account.

If you don't make a choice or if we're unable to credit your nominated account (if applicable), we'll reinvest your distribution.

Distribution reinvestments in the Fund will be reinvested as at the first day of the month following the end of the distribution period. The reinvestment price will be based on the net asset value price (that is, excluding a buy spread) calculated on the last business day of the distribution period, adjusted for any distribution paid for that period.

## **INSTRUCTIONS AND CHANGES**

Please contact us to advise of any changes to your name, address/contact details, bank account, etc and to provide other details/instructions.

All changes to bank account details must be made in writing by mail. Any acceptable changes by phone can only be made after we've confirmed your identity.

Conditions may apply depending on the way you provide instructions to us, as set out under 'Other conditions' on page 21.

## **AUTHORISED REPRESENTATIVE**

You can appoint a person, partnership or company as your authorised representative by nominating them on your application form and having them sign the relevant section. Your authorised representative will be empowered to act on your behalf in all matters relating to your investment in the Fund.

Conditions apply to the appointment of an authorised representative, as set out under 'Other conditions' on page 21.

## **ONLINE ACCOUNT ACCESS**

Online Account Access via our website provides easy and convenient online access for you to:

- check the total value of your investment in the Fund
- view your account summary, including the number of units and unit price
- review your recent transaction history
- check your contact details.

You can also elect to receive email notification of new account correspondence (including any notification we are required to provide under the Corporations Act) as it becomes available, so that you can then view it online (although there may be times when we must also send online correspondence to you in paper form). For security reasons, this email won't include any of your confidential information, nor will it provide a link to our website.

Unless you indicate otherwise on your application form, we'll mail you a Login ID and temporary password (separately for security reasons) together with activation instructions.

We may provide joint investors, trustees of superannuation funds/trusts, companies, partnerships and trustee company accounts with more than one Login ID and temporary password for Online Account Access.

## **CONDITIONS OF USE**

To be able to use Online Account Access, you must accept the conditions of use (which are publicly available at our website (see 'Other documents' on page 21 for details) or can be obtained free of charge by contacting us) and change the temporary password we've provided to a password of your choice when you first login to Online Account Access.

## **ACCESS BY AUTHORISED REPRESENTATIVES**

If you appoint an authorised representative, you can request us to issue them with a unique Login ID and temporary password for Online Account Access and specify their level of online access to either:

- view your account only or
- view and transact on your account (default access).

## **ACCESS BY YOUR ADVISER**

We'll also give your adviser access to view details about your investment and transact online on your behalf unless you ask us not to.

## **INTEREST EARNED ON APPLICATION, WITHDRAWAL AND DISTRIBUTION ACCOUNTS**

Application money, proceeds of withdrawal requests and distribution amounts are held in trust accounts prior to being processed. A member of the Perpetual Group retains any interest earned on these accounts.

# TAX

The tax consequences of investing in managed investment schemes are particular to your circumstances, so we recommend you see a tax adviser. This information is general only and shouldn't be relied on.

If you are investing indirectly through a Service, you should also refer to your Service operator for further information about the tax treatment of your investment in the Fund.

## TAX POSITION OF THE FUND

Generally, Australian income tax won't be payable by the Fund because investors will be 'presently entitled' to all of the distributable income of the Fund each year ending 30 June. If there is net income of the Fund that no investor is 'presently entitled' to, the Fund will be subject to tax at the highest marginal tax rate (plus Medicare levy).

## AUSTRALIAN RESIDENT INVESTORS

### DISTRIBUTIONS

For information about the calculation of your distribution entitlement, see 'Distributions' on page 14.

The net income of the Fund allocated to you must be included in your income tax return for the year of the entitlement even if the distribution is received or reinvested in the following year – see 'Annual tax statement' on this page.

### CAPITAL GAINS TAX

In addition to any realised net capital gains distributed to you, any withdrawal or transfer of units in the Fund may create a taxable gain or loss, which will be treated as a capital gain or loss, or as ordinary income, depending on your circumstances.

## ANNUAL TAX STATEMENT

### DIRECT INVESTORS

We'll issue annual tax statements for the Fund at the end of August each year, or shortly after. It will show the taxable and non-taxable components of your distributions.

### INDIRECT INVESTORS

Your Service operator will use the information we provide to prepare their statements for you.

## NON-RESIDENT INVESTORS

Australian tax will be deducted from certain Australian sourced income and capital gains distributed to non-resident investors. Non-resident investors may also be subject to tax in the country they reside in, but may be entitled to a credit for some or all of the tax deducted in Australia.

## REPORTING

We are required to report to the ATO certain information relating to your transactions in the Funds, including distribution information.

For direct investors that are considered to be residents of certain countries for tax purposes, we may be required to obtain additional information and report it to the ATO or overseas tax authority each year, including investment balance and income received, under rules designed to combat tax evasion in the relevant country.

## FOREIGN ACCOUNT TAX COMPLIANCE ACT (FATCA)

FATCA is United States (US) tax legislation that enables the US Internal Revenue Service (IRS) to identify and collect tax from US residents that invest in assets through non-US entities.

If you are a US resident for tax purposes, you should note that the Fund is expected to be a 'Foreign Financial Institution' under FATCA and intends to comply with its FATCA obligations, as determined by the inter-governmental agreement entered into by Australia and the US for the purposes of implementing FATCA. Under these obligations, the Fund will have to obtain and disclose information about certain investors to the ATO. In order for the Fund to comply with their obligations, we will also request that you provide certain information about yourself, including your US Taxpayer Identification Number. We will determine whether the Fund is required to report your details to the ATO based on our assessment of the relevant information received.

## TAX FILE NUMBER (TFN)/ AUSTRALIAN BUSINESS NUMBER (ABN)

Providing your TFN isn't compulsory but without it or the appropriate exemption information we or your Service operator (as applicable) have to withhold tax from your distributions at the highest marginal tax rate (plus Medicare levy) until your TFN or exemption<sup>1</sup> is provided.

You may prefer to provide an ABN as an alternative to your TFN if your investment is made as part of an enterprise.

<sup>1</sup> See page 23 for details of TFN exemption codes.

### DIRECT INVESTORS

We are authorised under tax laws to collect TFNs and ABNs in connection with your investment in the Fund.

### INDIRECT INVESTORS

Please refer to your Service operator for more information on the collection of TFNs and ABNs for investors investing in the Fund through their Service.

## **GOODS AND SERVICES TAX (GST)**

GST generally applies to the fees, costs and expenses payable by the Fund, including management costs and other fees payable to us.

Generally, the Fund can't claim a credit for all of the GST paid but may be entitled to claim a reduced input tax credit (RITC), which represents a portion of the GST applicable to management costs and certain other expenses, as set out in the GST law.

Unless otherwise stated, the management costs and other fees specified in the table within 'Fees and other costs' on page 8 show the approximate net cost to the Fund of these amounts payable to us, on the basis that the Fund is entitled to claim RITCs for the GST on these amounts.

# ADDITIONAL INFORMATION

## YOUR COOLING-OFF RIGHTS

### DIRECT INVESTORS

You have up to 21 days from the day you invest where you can have your investment repaid ('cooling-off period').

The amount repaid will be adjusted for any transaction costs and any increase or decrease in the value of your investment.

Investments repaid may create a taxable gain or loss so we recommend that you seek professional tax advice.

Your right to be repaid during the cooling-off period does not apply if:

- you exercise any of your rights as an investor in the Fund
- you are a wholesale client (as that term is defined in the Corporations Act).

If you'd like to have your investment repaid, write to us stating that you want to be repaid during the cooling-off period (please include your account number). Your request must reach our Sydney office before the end of the cooling-off period.

When we receive your request, we will send you the details about your repayment.

### INDIRECT INVESTORS

No cooling-off rights apply in respect of any investment in the Fund acquired by your Service operator on your behalf. For information about any cooling-off rights that may apply to you in respect of the Service that you invest through, please contact your Service operator directly or refer to their disclosure document.

## HOW UNITS ARE PRICED AND INVESTMENTS ARE VALUED

Unit prices for the Fund are calculated by:

- establishing the net asset value of the Fund
- for entry unit prices – adding the applicable transaction costs (buy spread) to the net asset value and then dividing the adjusted net asset value by the number of units on issue to determine the entry unit price
- for exit unit prices – deducting the applicable transaction costs (sell spread) from the net asset value and then dividing the adjusted net asset value by the number of units on issue to determine the exit unit price.

We generally determine the net asset value of the Fund on each business day. The net asset value is calculated by deducting the value of the Fund's liabilities from the value of its gross assets.

The net asset value of the Fund includes unrealised gains and losses and any income and realised gains accrued but not yet distributed. If unrealised gains are realised in the future, any assessable portion will be distributed to investors.

Investments of the Fund are valued at their market value, using a valuation method according to the Fund's constitution. For investments in any other managed funds, the value will normally be based on the exit price of the units in the underlying fund(s). However, if necessary, we may use a different method of valuation.

We can defer the calculation of unit prices where permitted by the Fund's constitution and the law. For example, if significant delays occur where an underlying fund does not calculate or provide a price, transactions requiring the purchase and/or sale of units in the Fund may not be processed until the underlying fund's unit price is determined.

A copy of our unit pricing policy, including details of any discretions that we may exercise in various circumstances, is available at our website or can be obtained free of charge by contacting us.

## REPORTING

### DIRECT INVESTORS

Direct investors in the Fund receive:

- an initial investment statement, generally within seven business days of your application being accepted and processed
- an additional investment statement, generally within seven business days of any additional investment being accepted and processed
- a withdrawal statement, generally within seven business days of any partial or full withdrawal request being processed
- a distribution statement following the payment of any distributions
- an annual statement providing details of your investment as at 30 June each year
- an annual report (including financial statements) for each financial year ending 30 June will be available at our website (copy by mail available on request)
- an annual tax statement and tax guide for the financial year, generally sent by the end of August or shortly after to help you prepare your income tax return (available on request by non-resident investors)
- confirmation of any other transactions that we are required to report on.

## INDIRECT INVESTORS

All reports will be sent directly to your Service operator. They will use this information to provide you with regular reporting and information to help you complete your annual income tax return. Please contact your Service operator with any investor inquiries.

## CONTINUOUS DISCLOSURE DOCUMENTS

The Fund may be subject to certain regular reporting and disclosure obligations. Copies of documents lodged with ASIC in relation to the Fund may be obtained from, or inspected at, any ASIC office. You may obtain a copy of the following at our website or from us free of charge on request:

- the Fund's annual financial report most recently lodged with ASIC
- any half-yearly financial reports lodged with ASIC by the Fund after lodgement of that annual report
- any continuous disclosure notices given by the Fund after the date of lodgement of that annual report and
- any other material updates.

## INQUIRIES AND COMPLAINTS

### DIRECT INVESTORS

If you have an inquiry or complaint, you can either phone Perpetual on 1800 022 033 during business hours or write to:

Client Services  
Perpetual Wholesale Funds  
GPO Box 4171  
Sydney NSW 2001

We'll acknowledge any complaint in writing within five business days and make every effort to resolve your issue within 30 days of us being notified.

If a complaint remains unresolved after 45 days you may refer it to the Financial Ombudsman Service (FOS) of which we are a member. FOS is an external dispute resolution scheme that provides assistance to consumers to help resolve complaints relating to financial service providers. Contact details for FOS are as follows:

Address: GPO Box 3  
Melbourne VIC 3001

Phone: 1800 367 287

Website: [www.fos.org.au](http://www.fos.org.au)

### INDIRECT INVESTORS

Any inquiries or complaints about your investment through the Service or about the Service should be directed to your Service operator.

## YOUR PRIVACY

### DIRECT INVESTORS

We collect personal information from you in the application and any other relevant forms to be able to process your application, administer your investment and comply with any relevant laws. If you do not provide us with your relevant personal information, we will not be able to do so.

Privacy laws apply to our handling of personal information and we will collect, use and disclose your personal information in accordance with our privacy policy, which includes details about the following matters:

- the kinds of personal information we collect and hold
- how we collect and hold personal information
- the purposes for which we collect, hold, use and disclose personal information
- how you may access personal information that we hold about you and seek correction of such information (note that exceptions apply in some circumstances)
- how you may complain about a breach of the Australian Privacy Principles (APP), or a registered APP code (if any) that binds us, and how we will deal with such a complaint
- whether we are likely to disclose personal information to overseas recipients and, if so, the countries in which such recipients are likely to be located if it is practicable for us to specify those countries.

Our privacy policy is publicly available at our website (see 'Other documents' on page 21 for details) or you can obtain a copy free of charge by contacting us.

### INDIRECT INVESTORS

We do not collect or hold your personal information in connection with your investment in the Fund. Please contact your Service operator for more information about their privacy policy.

## ANTI-MONEY LAUNDERING/COUNTER-TERRORISM FINANCING LAWS

The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML Act) regulates financial services and transactions in a way that is designed to detect and prevent money laundering and terrorism financing.

### DIRECT INVESTORS

Under the AML Act, we are required to:

- verify your identity before providing services to you
- collect information about your circumstances, including the source of funds being invested, your occupation (individual investors) and your beneficial owners (non-individual investors)
- where you supply documentation relating to your identity, keep a record of this documentation for seven years after the end of your relationship with Perpetual.

As a result:

- transactions may be delayed or refused where we require further information regarding your identity or we have reasonable grounds to believe that the transaction breaches the law or sanctions of Australia or any other country
- where transactions are delayed or refused, we are not liable for any loss you suffer (including consequential loss) as a result of our compliance with the AML Act.

Where required by law, we may disclose your information to regulatory or law enforcement agencies, including the Australian Transaction Reports and Analysis Centre (AUSTRAC), which is responsible for regulating the AML Act.

Customer identification requirements for individual investors are collected in the application form included with this PDS. All other prospective investors must complete the relevant 'Customer identification form', which is publicly available at our website or can be obtained free of charge on request.

We are not liable for any loss you may suffer as a result of our compliance with this legislation.

### **INDIRECT INVESTORS**

You will need to satisfy your Service operator's requirements for verifying your identity.

### **INVESTMENTS AND SOCIAL SECURITY**

If you are an individual investor, your investment in the Fund may affect your social security or pension entitlements. The calculations are complex so we recommend that you seek advice from your financial or tax adviser, or use the financial information service of either the Department of Human Services or Veterans' Affairs.

### **MORTGAGE OF UNITS**

If you are a direct investor, we may, in our absolute discretion, note certain mortgage interests over an investment (including any distribution reinvestment from that investment), and the following conditions will apply:

- you won't be able to transfer or withdraw your investment (including any distributions reinvested) without the mortgagee's consent
- amounts paid or assets transferred on withdrawal will be forwarded to the mortgagee or paid at the mortgagee's discretion
- the notice of mortgage can be removed only with the mortgagee's consent
- distributions that are not reinvested will be paid according to any instructions in the notice of mortgage, or otherwise according to the investor's instructions on the application form.

### **TRANSFER OF UNITS**

If you are a direct investor, with our consent, you may transfer units in the Fund to another person by providing us with a signed and completed standard transfer form (with duty paid, if applicable) and any other documents we consider appropriate.

A transfer of units will generally be a disposal of units for tax purposes, which may have tax implications (see 'Tax' on page 16 for more details).

### **OUR ROLE AS RESPONSIBLE ENTITY**

Perpetual Investment Management Limited is the responsible entity of the Fund. Our main responsibilities are to manage the Fund according to its constitution and investment policy as well as properly administering it. We have established an investment policy committee to set the investment objectives, investment guidelines and investment approach for the Fund. We may change the Fund's investment policy whenever we believe it's in the best interests of investors, without prior notice.

In carrying out our duties, we are subject to the Corporations Act and must:

- act honestly and in the best interests of investors
- exercise care and diligence.

### **CONSTITUTION**

All registered managed investment schemes are governed by a constitution. The Fund's constitution (as amended) governs the Fund's operation and, together with this PDS, the Corporations Act and other laws, regulates the Fund and our legal relationship with investors. The Fund's constitution has been lodged with ASIC.

We can amend the Fund's constitution as permitted by the Corporations Act. You may inspect the Fund's constitution at our offices on any business day, free of charge, or obtain a free copy of it by contacting us.

### **BORROWING POWERS**

The Fund's constitution allows the Fund to borrow. To the extent permitted, the Fund may borrow from a variety of sources, including companies associated with the Perpetual Group (in which case the terms are set on a commercial basis).

### **OUR LIABILITY**

Subject to the Corporations Act, we're not liable to investors for any losses in any way relating to the Fund, except to the extent to which the loss is caused by our fraud, negligence or breach of trust.

Our liability is, subject to the Corporations Act, limited to our ability to be indemnified out of the assets of the Fund.

## RIGHTS OF DIRECT INVESTORS

Each unit you hold in the Fund confers a proportional beneficial interest in the Fund. However, you're not entitled to any particular part of the Fund, its assets or its management or operation (other than through investor meetings).

The Fund's constitution limits your liability to the value of your interest or units in the Fund. However, the courts are yet to conclusively determine the effectiveness of these provisions so no absolute assurance can be given that your liability is limited in every situation.

## SUSPENSION OF APPLICATIONS AND WITHDRAWALS

In certain emergency situations that impact the effective and efficient operation of a market for an asset held by the Fund or in circumstances where we otherwise consider it to be in investors' interests, we may suspend processing all applications or withdrawals for the Fund in accordance with the Fund's constitution. This may include situations where:

- we cannot properly ascertain the value of an asset held by the Fund
- an event occurs that results in Perpetual not being able to reasonably acquire or dispose of assets in the Fund
- an underlying fund suspends applications and withdrawals
- the law otherwise permits us to delay or restrict processing applications or withdrawals.

Applications or withdrawal requests received during the suspension will be processed using the entry or exit price applicable when the suspension is lifted.

## WITHDRAWAL OF LARGE INVESTMENTS

We may stagger the payment of withdrawal requests where large requests have been received in a calendar month. If total withdrawal requests in any calendar month represent more than 10% of the net asset value of the Fund, we may decide to treat each withdrawal request as four separate withdrawal requests of one-quarter of the value of the original withdrawal request, payable over four successive months. Further details are in the Fund's constitution.

## IMPLICATIONS IF THE FUND BECOMES NON-LIQUID

If the Fund becomes non-liquid (as defined in the Corporations Act) withdrawals may only be made subject to an offer made according to the Corporations Act. In these circumstances, you will only be able to withdraw from the Fund if we make money available for withdrawals. The Corporations Act requires us to allocate this money on a pro rata basis among investors wanting to withdraw. We're under no obligation to offer you an opportunity to withdraw from the Fund while the Fund is non-liquid. We will advise investors if the Fund becomes non-liquid and the terms of any withdrawal offer.

## OTHER CONDITIONS

A direct investor that appoints an authorised representative or uses the phone, fax or email facilities (as applicable) to provide instructions to us:

- acknowledges that they are bound by the acts of their authorised representative
- releases, discharges and agrees to indemnify us and each other member of the Perpetual Group from and against all losses, liabilities, actions, proceedings, accounts, claims and demands arising from instructions we receive under the facility and
- agrees that a payment or purported payment made according to the conditions of the facility shall be in complete satisfaction of our obligations or those of any other member of the Perpetual Group to the investor for a payment, even if it was requested, made or received without the knowledge or authority of the investor.

## INCORPORATION BY REFERENCE

The law allows us to provide certain information to you separately to the PDS, which is taken to be incorporated into the PDS, provided the PDS identifies this additional information and how you can access it.

The following incorporated information forms part of this PDS:

- the current buy/sell spread for the Fund
- any additional information required by ASIC to be given on various key features that may apply to the Fund.

This information is publicly available from [www.perpetual.com.au/pure-credit-alpha-fund](http://www.perpetual.com.au/pure-credit-alpha-fund), or can be obtained free of charge by contacting us.

You should also read the incorporated information.

## OTHER DOCUMENTS

The following documents are also publicly available from [www.perpetual.com.au/pure-credit-alpha-fund](http://www.perpetual.com.au/pure-credit-alpha-fund), or can be obtained free of charge by contacting us:

- Direct Debit Request Service Agreement
- Online Account Access conditions of use
- our privacy policy.

Direct investors should also read these other documents, particularly if relevant to any features that you've chosen in relation to your investment in the Fund.

# APPLYING FOR AN INVESTMENT

## DIRECT INVESTORS

### NEW ACCOUNT

Your initial investment in the Fund must be at least \$100,000.

To invest in the Fund:

- if investing by **cheque** – complete the application form, attach a cheque for your initial investment amount made payable to **'PIML – PISTIW – [insert name of applicant(s)]'** and send them to us
- if investing by **direct debit** – complete the application form and send it to us (we'll debit the initial investment amount directly from your nominated account once we've accepted your application).

The table on page 23 will assist you in completing the 'Investor details' section of the application form, and also explains who should sign the form and where TFN/ABN or exemption details should be recorded.

We must verify your identity before considering your application. Unless you are an individual or joint investor, you should also complete the relevant **'Customer identification form'** available at our website or by contacting us.

### ADDITIONAL INVESTMENTS

Additional investments can be made at any time according to the current PDS. The PDS may be updated or replaced from time to time and you should read the current version before you make an additional investment. You can obtain a copy of the current PDS, free of charge, at our website or by contacting us.

Additional investments in the Fund must be at least \$5,000.

To make an additional investment in the Fund after reading the current PDS:

- if investing by **direct debit** – complete the application form and send it to us (we'll debit the additional investment amount directly from your nominated account once we've accepted your application)
- if investing by **BPAY** – simply remit your additional investment amount, quoting your **Customer Reference Number (CRN)** and the Fund's **BPAY biller code 489070**.

## LODGING YOUR APPLICATION FORM

You can lodge your completed application form (including your cheque, if applicable) with your financial adviser or at any Perpetual state office (see back cover for street address details) or post (no stamp required if posted in Australia) to:

Reply Paid 4171  
Perpetual Wholesale Funds  
GPO Box 4171  
Sydney NSW 2001  
Australia

## APPLICATION CONDITIONS

Please note:

- applicants must be at least 18 years of age
- investment amounts need not be in whole dollars
- there is no maximum investment amount
- cash amounts are not accepted, however we can determine other acceptable methods of payment
- for trust investors, only the trustee has rights and obligations under the Fund
- joint applicants will be assumed to be joint tenants (that is, the survivor(s) will be recognised as holding title to the interests of a deceased joint investor), unless you otherwise specify
- if signed under power of attorney:
  - the attorney certifies that he or she has not received notice of revocation of the power
  - the power of attorney, or a certified copy, must be sent to us
- we have absolute discretion to accept, reject or limit any application.

## AUTHORISED SIGNATORIES

If no amendments have been made, the authorised signatories to your investment are the individuals who signed the initial investment application form.

You can add authorised signatories or change the authorised signatories by written request signed by all existing authorised signatories and all new authorised signatories.

## JOINT INVESTORS

For joint investors, unless you specify otherwise, we will assume that any investor has the signing authority for the other investor(s) for all future transactions and written changes, including:

- address
- bank account details
- additional investments
- distributions
- withdrawals.

## GUIDE TO COMPLETING THE 'INVESTOR DETAILS' SECTION OF THE APPLICATION FORM

INVESTOR TYPE	SECTION FOR INVESTOR DETAILS	WHO SHOULD SIGN	SECTION FOR TFN/ABN OR EXEMPTION DETAILS <sup>1</sup>
<b>I – Individual<sup>2</sup></b>	3A	Individual	3A – for individual
<b>J – Joint individuals<sup>2</sup></b>	3A	Both individuals	3A – for each individual <sup>3</sup>
<b>C – Company</b>	3B	For a company: <ul style="list-style-type: none"> <li>• two directors or</li> <li>• a director and company secretary or</li> <li>• if the company has a sole director/secretary, by that person or</li> <li>• a representative authorised by the company.</li> </ul> Companies can also sign under power of attorney.	3B – for the company
<b>P – Partnership<sup>4</sup></b>	3B	Partners	3B – for the partnership
<b>T – Trust<sup>5</sup></b>	3B		3B – for the trust
Individual trustee(s)	3A	If more than one trustee, all trustees should supply their details and sign. <sup>3</sup>	
Corporate trustee	3B	See 'Company' investors above.	
<b>S – Superannuation funds</b>	3B		3B – for the superannuation fund
Individual trustee(s)	3A	If more than one trustee, all trustees should supply their details and sign. <sup>3</sup>	
Corporate trustee	3B	See 'Company' investors above.	
<b>A – Association</b>	3B	Office bearer(s) – if more than one office bearer, all office bearers should supply their details and sign.	3B – for the association
<b>G – Government body</b>	3B	All authorised signatories	3B – for the government body
<b>O – Other entity</b> (eg co-operative, club, charity)	3B	Office bearer(s) – if more than one office bearer, all office bearers should supply their details and sign.	3B – for the entity <sup>6</sup>

1 See page 16 for further information. The following codes may be used in place of the TFN for individual investors:

- 444 444 441 – where you are a pensioner, such as the recipient of Centrelink (age or disability support) pension or Service (veterans) pension
- 444 444 442 – where you are a recipient of other eligible Centrelink pensions or benefits
- 888 888 888 – where you are a non-resident and do not have a TFN.

2 Individuals or joint investors include adult(s) investing for a child under 18 years.

3 If there are more than two joint individual investors or more than two individual trustees – please copy section 3A, insert the additional investor or trustee details (as applicable) and attach to your completed application form.

4 This investor type should only be selected where there is a formal partnership agreement and the partnership has its own TFN.

5 This investor type should only be selected where the trust is established under a formal arrangement and the trust has its own TFN.

6 If you are a registered charity and are exempt from tax and choose not to provide your ABN, you need to attach a statement (including your organisation's name and address) providing the reason your organisation is not required to lodge an income tax return. If your organisation's tax status subsequently changes, your organisation can incur a penalty from the ATO if you don't inform us within two months after the end of the year of income in which the change occurred.

### COMPANY INVESTMENTS

Unless we receive additional information, only the company directors, company secretary or attorney signing the application form will be authorised signatories to the company investment.

### EXISTING ACCOUNTS

If you request to apply any investments to an existing account number, any adviser or authorised representative who currently has access to transact on and/or view that account will be able to transact on and/or view any additional investments under that account.

### DIRECT DEBIT REQUEST SERVICE AGREEMENT

If you elect to make investments by direct debit authority, you must read and accept the terms of our Direct Debit Request Service Agreement, which is available at our website or by contacting us.

### INDIRECT INVESTORS

You can invest in the Fund by directing your Service operator to lodge an investment application with us. You should complete any relevant forms provided by your Service operator.

The PDS may be updated or replaced from time to time and you should read the current version before making any investment application in relation to the Fund. You can obtain a copy of the current PDS at our website or from your Service operator.

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# APPLICATION FOR CLASS W UNITS

Please complete this form using BLACK INK and print well within the boxes in CAPITAL LETTERS. Mark appropriate boxes with a cross like the following . Start at the left of each answer space and leave a gap between words.

**Please ensure this form is fully complete and all required documentation is provided to either your financial adviser or us, so we can process your application.**

## 1. Investor type

Are you an existing Perpetual investor?

no

yes  client number

If yes, would you like to open a new account or make an additional investment into an existing account?

new account\*

additional investment  existing account number  please go to section 2

**Investor type (please select only one investor type)**

individual\*\*  joint\*\*  company  superannuation fund  trust

partnership  association  government body  other entity

\* If you are opening a new account for an entity (not an individual or joint investor), you will also need to complete the 'Customer identification form' for your investor type, available on our website (unless you have previously provided a form for this entity).

\*\* Individual or joint investors include adult(s) investing for a child under 18 years.

## 2. Investment amount and payment details

How much would you like to invest? \$

**Source of funds being invested (tick most relevant option)**

retirement savings  employment income  business activities

sale of assets  inheritance/gift  financial investments

other

**How will this investment be made? NOTE:** Cash is not accepted.

cheque  make cheque payable to **PISTIW – [insert name(s) of applicant(s)]**

Perpetual will debit your bank account nominated in section 7.

I/We acknowledge and accept the terms and conditions of direct debit available at [www.perpetual.com.au/pure-credit-alpha-fund](http://www.perpetual.com.au/pure-credit-alpha-fund)

direct debit

### 3. Investor details

Existing investors in the Fund need only complete this section if you wish to change any details provided previously.

#### A. Individual and joint account holders

##### Investor 1 (individual account holder)

##### Investor 2 (joint account holder)

title	
Mr <input type="checkbox"/>	Mrs <input type="checkbox"/>
Miss <input type="checkbox"/>	Ms <input type="checkbox"/>
other <input type="checkbox"/>	<input type="text"/>
first name(s)	
<input type="text"/>	
last name	
<input type="text"/>	
occupation	
<input type="text"/>	
date of birth	gender
<input type="text"/> / <input type="text"/> / <input type="text"/>	male <input type="checkbox"/>
	female <input type="checkbox"/>
<b>Residency status for tax purposes</b>	
I am a citizen of the following country/countries for tax purposes: (Please provide responses for <b>each</b> of 1, 2 and 3 below.)	
<b>1. Australia</b>	
yes <input type="checkbox"/>	(complete the following details) no <input type="checkbox"/>
tax file number (TFN)	
<input type="text"/>	
or TFN exemption code	
<input type="text"/>	
<b>2. United States (US)</b>	
yes <input type="checkbox"/>	(complete the following details) no <input type="checkbox"/>
US Taxpayer Identification Number (TIN)	
<input type="text"/>	
<b>3. Other country</b>	
yes <input type="checkbox"/>	(complete the following details) no <input type="checkbox"/>
If you are not a tax resident of Australia or the US, please specify your country of residence.	
<input type="text"/>	
Taxpayer reference number (equivalent details to a TFN in Australia)	
<input type="text"/>	

title	
Mr <input type="checkbox"/>	Mrs <input type="checkbox"/>
Miss <input type="checkbox"/>	Ms <input type="checkbox"/>
other <input type="checkbox"/>	<input type="text"/>
first name(s)	
<input type="text"/>	
last name	
<input type="text"/>	
occupation	
<input type="text"/>	
date of birth	gender
<input type="text"/> / <input type="text"/> / <input type="text"/>	male <input type="checkbox"/>
	female <input type="checkbox"/>
<b>Residency status for tax purposes</b>	
I am a citizen of the following country/countries for tax purposes: (Please provide responses for <b>each</b> of 1, 2 and 3 below.)	
<b>1. Australia</b>	
yes <input type="checkbox"/>	(complete the following details) no <input type="checkbox"/>
tax file number (TFN)	
<input type="text"/>	
or TFN exemption code	
<input type="text"/>	
<b>2. United States (US)</b>	
yes <input type="checkbox"/>	(complete the following details) no <input type="checkbox"/>
US Taxpayer Identification Number (TIN)	
<input type="text"/>	
<b>3. Other country</b>	
yes <input type="checkbox"/>	(complete the following details) no <input type="checkbox"/>
If you are not a tax resident of Australia or the US, please specify your country of residence.	
<input type="text"/>	
Taxpayer reference number (equivalent details to a TFN in Australia)	
<input type="text"/>	

### 3. Investor details (continued)

#### A. Individual and joint account holders

**Investor 1** (individual account holder)

Residential address (mandatory)	
unit number	street number
<input type="text"/>	<input type="text"/>
street name	
<input type="text"/>	
<input type="text"/>	
suburb	
<input type="text"/>	
state	postcode
<input type="text"/>	<input type="text"/>
country	
<input type="text"/>	
phone (business hours)	
<input type="text"/>	
phone (after hours)	
<input type="text"/>	
mobile	
<input type="text"/>	
email address	
<input type="text"/>	
<input type="text"/>	

**Investor 2** (joint account holder)

Residential address (mandatory)	
unit number	street number
<input type="text"/>	<input type="text"/>
street name	
<input type="text"/>	
<input type="text"/>	
suburb	
<input type="text"/>	
state	postcode
<input type="text"/>	<input type="text"/>
country	
<input type="text"/>	
phone (business hours)	
<input type="text"/>	
phone (after hours)	
<input type="text"/>	
mobile	
<input type="text"/>	
email address	
<input type="text"/>	
<input type="text"/>	

By providing this email address, I/we agree that Perpetual may use this email address to provide me/us with information about my/our investment (such as transaction confirmations, statements, reports and other materials or notifications required by the Corporations Act) or Perpetual's products, services and offers. From time to time we may still need to send you mail.

Postal address (if different to residential address)		
po box	unit number	street number
<input type="text"/>	<input type="text"/>	<input type="text"/>
street name		
<input type="text"/>		
<input type="text"/>		
suburb		
<input type="text"/>		
state	postcode	
<input type="text"/>	<input type="text"/>	
country		
<input type="text"/>		

same contact details as investor 1 <input type="checkbox"/>		
po box	unit number	street number
<input type="text"/>	<input type="text"/>	<input type="text"/>
street name		
<input type="text"/>		
<input type="text"/>		
suburb		
<input type="text"/>		
state	postcode	
<input type="text"/>	<input type="text"/>	
country		
<input type="text"/>		

### 3. Investor details (continued)

#### B. All other account holders

company name/corporate trustee																													
name of superannuation fund, trust, partnership, association, government body or co-operative																													
tax file number															and/or ABN														
principal business activity																													
c/-																													
po box					unit number					street number																			
street name																													
suburb																													
state					postcode					country																			
phone (business hours)										mobile										fax									
email address																													

By providing this email address, I/we agree that Perpetual may use this email address to provide me/us with information about my/our investment (such as transaction confirmations, statements, reports and other materials or notifications required by the Corporations Act) or Perpetual's products, services and offers. From time to time we may still need to send you mail.

## 4. Authorised representative

Existing investors in the Fund need only complete this section if you wish to add or change an authorised representative. Would you like to appoint an authorised representative? Before appointing an authorised representative, refer to the PDS for more details.

no  please go to section 5  
 yes  please complete the details below.  
 I have read the terms and conditions associated with appointing an authorised representative.

Online Account Access for my authorised representative  
 view and transact (default) or  view only or  no access

**authorised representative details:**

first name(s)

last name

po box  unit number  street number

street name

suburb

state  postcode  country

signature of authorised representative  date  /  /

## 5. Features

Existing investors in the Fund need only complete this section if you wish to add any new features or change existing features.

Indicate which optional features you would like applied to your account		
<b>BPAY for additional investments</b>	yes (default) <input type="checkbox"/> no <input type="checkbox"/>	
<b>Investor Online Account Access</b> Note: an email address is required to register you for online account access	view & transact (default) <input type="checkbox"/> view only <input type="checkbox"/>	
<b>Financial adviser Online Account Access</b> Note: your financial adviser can access information about your account online	view & transact (default) <input type="checkbox"/> view only <input type="checkbox"/>	
<b>Investment information to be sent in the mail</b> Note: most of your investment information is also available through Online Account Access	online only (default) <input type="checkbox"/> online and mail <input type="checkbox"/>	
<b>Annual financial reports to be sent in the mail</b> Note: annual financial reports are also available on our website	yes <input type="checkbox"/> no (default) <input type="checkbox"/>	
<b>Marketing material</b> I/We would like to receive investment education material and be informed about Perpetual's products, services and offers	yes (default) <input type="checkbox"/> no <input type="checkbox"/>	

• For each optional feature you have selected, please ensure you have read and understood the 'Operating your account' section in the PDS for that optional feature.

## 6. Investment allocation

Fund	short code	initial investment (minimum \$100,000)	additional investment (minimum \$5,000)	distributions (indicate a preference with an X). If no selection is made, reinvest will be assumed	
				reinvest	bank account
Perpetual Pure Credit Alpha Fund	PISTIW	\$	\$	<input type="checkbox"/>	<input type="checkbox"/>

## 7. Bank account details

Existing investors in the Fund need only complete this section if you wish to add or change your bank account details. You can only nominate a bank account that is held in your name(s). By providing your bank account details in this section, you accept the terms in the Direct Debit Service Agreement and authorise Perpetual to use these details for all future transaction requests that you nominate.

### Bank account

Complete your account details in this section if you would like us to debit or credit your bank account for applications, withdrawals and payment of distributions, as applicable.

name of financial institution

branch name

branch number (BSB)

account number

 - 

name of account holder

signature of account holder A

signature of account holder B



date

 /  /



## 9. Declaration and signature (continued)

I/We acknowledge and agree that:

- the information contained in the PDS is not investment advice or a recommendation that the Fund is suitable having regard to my/our investment objectives, financial situation or particular needs
- Perpetual may be required to pass on my/our personal information or information about my/our investment to the relevant regulatory authorities, including for compliance with income tax law and the Anti-Money Laundering and Counter-Terrorism Act 2006 or associated regulation and any tax-related requirements for tax residents of other countries
- investments in the Fund are not investments, deposits or other liabilities of Perpetual Limited or its subsidiaries and are subject to investment and other risks, including possible delays in repayment and the loss of income and principal invested
- neither Perpetual Investment Management Limited nor Perpetual Limited or its subsidiaries guarantee the repayment of capital or the performance of the Fund or any particular rate of return from the Fund
- the PDS has referred me/us to additional information or terms and conditions ('information') of this product which may assist me/us in making my/our investment decision and I/we have referred to this information to the extent I/we considered it was necessary to make my/our investment decision
- Perpetual may contact me/us where required by using the email address(es) provided on the application form. I/We will notify Perpetual of any change to my/our email address(es). I/We understand that failure to advise such a change may result in me/us not receiving correspondence relating to my/our investment.

**Joint applicants must both sign**

signature of investor 1 or company officer	signature of investor 2 or company officer
<input type="text"/>	<input type="text"/>
print name	print name
<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>
Capacity (company investments only)	Capacity (company investments only)
<input type="checkbox"/> Sole Director <input type="checkbox"/> Director <input type="checkbox"/> Secretary	<input type="checkbox"/> Director <input type="checkbox"/> Secretary
date	date
<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/> / <input type="text"/> / <input type="text"/>

### Important notes:

- If signing under power of attorney, the attorney certifies that he or she has not received notice of revocation of that power. The power of attorney, or a certified copy, must be sent to Perpetual, if not previously provided.
- Perpetual has the absolute discretion to accept or reject any application.
- Investors should retain a copy of the PDS.
- A business day is a working day for Perpetual in Sydney.

### Final checklist

Have you:

- Completed all sections of your application form?
- Signed your application form?
- Provided your financial adviser the customer identification documents requested in this application form or the relevant Customer Identification form?
- OR, if you are opening a new account and do not have a financial adviser, completed section 10 of this application form (for individuals) or enclosed the relevant customer identification form (for entities) and certified copies of your identification documents (as requested in section 10 of this application form or the relevant customer identification form)?

Please send your completed application form to:

**Reply Paid 4171**  
**Perpetual Wholesale Funds**  
**GPO Box 4171**  
**Sydney NSW 2001**

## 10. Identification verification for individuals and joint investors

This section is only applicable if you are investing as an individual or joint investor (as selected in section 1 of this form) and have not provided this documentation previously. If you are investing as a company, trust or any other investor type, please complete the relevant 'Customer identification form' available on our website or by contacting us.

The identity documentation requested below is required to meet our obligations under the Anti-Money Laundering and Counter-Terrorism financing Act 2006. **We cannot process your application without this information.**

### Identity documentation

Please provide a document from Part I. If you do not have a document from Part I, please provide the documents listed in Part II OR Part III.

If you are a joint investor, please provide the relevant documents for BOTH investors.

- **If you are applying directly with Perpetual** – You will need to provide a certified copy of the document(s) with your application.
- **If you are lodging this application through a financial adviser** – You may provide a certified copy with your application OR have your financial adviser sight an original or certified copy of your document(s) and complete the 'Record of verification procedure' section in this form.

<b>PART I – Primary ID documents</b>
<b>PROVIDE ONE OF THE FOLLOWING:</b>
<input type="checkbox"/> current Australian State / Territory driver's licence containing your photograph
<input type="checkbox"/> Australian passport (current or a passport that has expired within the preceding 2 years is acceptable)
<input type="checkbox"/> current card issued under a State or Territory law for the purpose of proving a person's age containing your photograph
<input type="checkbox"/> current foreign passport or similar travel document containing your photograph and signature

**OR**

<b>PART II – should only be completed if you do not own a document from Part I</b>
<b>PROVIDE ONE OF THE FOLLOWING:</b>
<input type="checkbox"/> Australian birth certificate
<input type="checkbox"/> Australian citizenship certificate
<input type="checkbox"/> concession card such as a pension, health care or seniors health card issued by the Department of Human Services (excludes Medicare cards)
<b>AND PROVIDE ONE VALID DOCUMENT FROM THE FOLLOWING:</b>
<input type="checkbox"/> a document issued by the Commonwealth or a State or Territory within the preceding 12 months that records the provision of financial benefits to you and contains your name and residential address
<input type="checkbox"/> a document issued by the Australian Taxation Office within the preceding 12 months that records a debt payable by you to the Commonwealth (or by the Commonwealth to the individual), which contains your name and residential address.
<input type="checkbox"/> a document issued by a local government body or utilities provider within the preceding 3 months which records the provision of services to your address or to you (the document must contain your name and residential address)

**OR**

<b>PART III – should only be completed if you do not own document(s) from Part I OR Part II</b>
<b>BOTH DOCUMENTS FROM THIS SECTION MUST BE PROVIDED</b>
<input type="checkbox"/> foreign driver's licence that contains a photograph of you and your date of birth
<input type="checkbox"/> national ID card issued by a foreign government containing your photograph and your signature

*Any documents written in a language that is not English must be accompanied by an English translation prepared by an accredited translator.*

## 10. Identification verification for individuals and joint investors (continued)

### How to certify your documents

A certified copy means a document that has been certified as a true and correct copy of a document by a person in one of the occupations listed below, including all persons described in the Statutory Declarations Regulations 1993.

To create a certified copy, one of the persons listed below must write the following on the copy of the document.

'I, [full name], [category of persons as listed below], certify that this [name of document] is a true and correct copy of the original. [signature and date]'

- A bank, building society, credit union or finance company officer with a minimum of 2 years continuous service\*
- A fellow of the National Tax Accountants' Association\*
- A judge of a court, Justice of the Peace or magistrate\*
- A legal practitioner\*
- A notary public or the local equivalent
- A medical practitioner including dentist, nurse, optometrist, pharmacist, physiotherapist, psychologist or veterinary surgeon\*
- A permanent employee or agent of the Australian Postal Corporation with a minimum of 2 years continuous service
- A police officer\*
- A teacher employed on a full-time basis at a school or tertiary education institution\*
- An accountant who is a member of the Institute of Chartered Accountants in Australia, CPA Australia, the National Institute of Accountants or the Association of Taxation and Management Accountants
- An Australian Consulate or Diplomatic Officer
- An Australian Financial Services Licence holder or their authorised representative (includes any licensed financial adviser) with a minimum of 2 years continuous service

\* Limited to persons licensed or registered to practice these occupations in Australia.

#### IMPORTANT: Please ensure that you have either

- enclosed certified copies of your identity documents **OR**
- agreed that your financial adviser will complete the 'Record of verification procedure' below.

### Record of verification procedure (Financial adviser use only)

This section is to be used by financial advisers when a record of verification is provided, rather than certified copies of identity documentation.

ID document details	Document 1	Document 2
verified from	<input type="checkbox"/> original <input type="checkbox"/> certified copy	<input type="checkbox"/> original <input type="checkbox"/> certified copy
document name/type		
document issuer		
issue date		
expiry date		
document number		
accredited English translation	<input type="checkbox"/> N/A <input type="checkbox"/> sighted	<input type="checkbox"/> N/A <input type="checkbox"/> sighted

By completing and signing this record of verification procedure I declare that:

- an identity verification procedure has been completed in accordance with the AML/CTF rules, in the capacity of an AFSL holder or their authorised representative and
- the information provided in relation to the residency status for tax purposes is reasonable considering the identity documentation provided.

AFS licensee name	<input type="text"/>	AFSL number	<input type="text"/>
representative/employee name	<input type="text"/>	phone number	<input type="text"/>
signature	<input type="text"/>	date verification completed	<input type="text"/>

## **CONTACT DETAILS**

For further information, or a copy of any of our product disclosure statements, please contact Perpetual.

### **WEBSITE**

[www.perpetual.com.au](http://www.perpetual.com.au)

### **EMAIL**

[investments@perpetual.com.au](mailto:investments@perpetual.com.au)

### **PHONE**

During business hours (Sydney time)

1800 022 033 – for investors

1800 062 725 – for advisers

### **FAX**

02 8256 1427

### **POSTAL ADDRESS**

Perpetual Wholesale Funds

GPO Box 4171

Sydney NSW 2001

Australia

**Australian Capital Territory**

Level 6  
10 Rudd Street  
Canberra ACT 2601

**New South Wales**

Angel Place  
Level 12  
123 Pitt Street  
Sydney NSW 2000

**Queensland**

Central Plaza 1  
Level 15  
345 Queen Street  
Brisbane QLD 4000

**South Australia**

Level 11  
101 Grenfell Street  
Adelaide SA 5000

**Victoria**

Rialto South Tower  
Level 35  
525 Collins Street  
Melbourne VIC 3000

**Western Australia**

Exchange Plaza  
Level 29  
2 The Esplanade  
Perth WA 6000

[www.perpetual.com.au](http://www.perpetual.com.au)