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This Product Disclosure Statement (PDS) is a summary of significant information about the Australian Unity A-REIT Fund (ARSN 140 274 728) ("Fund") and contains a number of references to important information, each of which forms part of the PDS.

This reference material is contained in the Additional Information Document available on our website www.australianunity.com.au/wealth/arf. You should consider the information in the Additional Information Document before making the decision about whether to invest in the Fund. A reference to this PDS or the PDS includes, unless the context otherwise requires, a reference to both the PDS and the Additional Information Document.

The information provided in this PDS is general information only and does not take into account your investment objectives, financial situation or particular needs. Before making any decision about this product, you should consider the information in this PDS and the reference materials, and obtain financial advice tailored to your personal circumstances.

An investment in the Fund, including through the units offered under this PDS is not guaranteed or otherwise supported by AUFM or any member of the Australian Unity Group. You should consider this when assessing the suitability of the investment and particular aspects of risk.

In this document, the description 'we', 'us' or 'our' refers to AUFM.

Certain information in this PDS is subject to change information that is not materially adverse can be updated by us. Visit our website for updated and further information on the Fund, including updated disclosure information, unit prices and performance. We recommend that you obtain and review such information before you invest. Alternatively, you can call us and we will send you the requested information free of charge.

The PDS has been prepared to comply with the requirements of the laws of Australia. No units are being offered to any person whose registered address is outside of Australia unless AUFM is satisfied that it would be lawful to make such an offer. The distribution of the PDS in jurisdictions outside of Australia may be restricted by law and persons who come into possession of the PDS should seek their own advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. The PDS does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation.

The PDS may only be used by investors receiving it (electronically or otherwise) in Australia. No investments will be accepted on the basis of the PDS once replaced with a later PDS.

In the PDS, ‘business day’ refers to a Melbourne business day on which Australian banks are open for business in Melbourne excluding Saturday and Sunday.

The PDS is available in electronic format, including access via our website. If you receive the PDS electronically, please ensure that you have received the PDS in its entirety. If you are unsure whether the electronic documents you have received are complete, please contact us. Printed copies are available free of charge.

Contact Details

Address
Australian Unity
114 Albert Road
South Melbourne VIC 3205

Website
australianunity.com.au/wealth

Email
investments@australianunity.com.au

Investor Services
13 29 39

Adviser Services
1800 649 033
1. About us

Who we are
AUFM is the Responsible Entity for the Fund. It is subject to the provisions of the Constitution of the Fund and the Corporations Act 2001. AUFM is responsible for the administration and management of the Fund, and sets the investment policy and objectives.

AUFM is a wholly owned subsidiary of Australian Unity Limited (ABN 23 087 648 888) and is part of the Australian Unity Group of companies which undertake investment activities.

At Australian Unity, we focus on improving the financial wellbeing of our investors. Following this basic principle, we have created a number of successful funds with a focus on the core areas of cash fixed interest, property and Australian equities. These funds are managed either directly by Australian Unity or by one of our joint venture partners.

Investment Manager

The investment manager of the Fund is an Australian Unity Real Estate Investment Trust team led by Damian Diamantopoulos. Damian joined Australian Unity in 2016 as Portfolio Manager and Head of Research Property. He has over 15 years’ experience in investment management and research of both listed and unlisted property securities as well as direct property. Damian graduated with a Bachelor’s Degree in Commerce from Monash University, has completed the FINSA Graduate Diploma in Applied Finance and Investment and holds a Diploma in Property Investment and Finance from the Property Council of Australia.

2. How the Fund works

The Fund primarily invests in Australian Real Estate Investment Trusts (A-REITs). The Fund aims to deliver a total return comprising income and capital growth above the S&P/ASX 300 A-REIT Accumulation Index over the medium-long term.

So that you know what your investment in the Fund is worth, the total value of the assets is divided into units. We will quote you a price for each unit each business day and will keep a record of the number of units you hold.

The application and withdrawal price of your units is subject to the applicable buy/sell spread.

The price of units will change as the market value of assets in the Fund rises or falls. We will provide you with information about the current unit price to help you decide whether to sell your units or buy more. You can increase your investment at any time while the Fund is open for applications by buying more units in the Fund. Generally, you can decrease your investment by redeeming some or all of your units, although in certain circumstances (such as a freeze on withdrawals) you may not be able to withdraw your investment within the usual period. Withdrawals can be made by using the Withdrawal Request Form on our website or by contacting us. Withdrawals can generally be made on any business day.

1 The return that we aim to deliver to investors is a statement of intent and we cannot guarantee that the Fund will achieve this return.

You should read important information about unit prices before making a decision. Go to the information about ‘Unit prices’ in Section 2 of the Additional Information Document. The material relating to unit prices may change between the date when you read this PDS and the day when you acquire the product.

Minimum investment and withdrawal amounts

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial investment amount</td>
<td>$5,000</td>
</tr>
<tr>
<td>Additional investment amount</td>
<td>$1,000 (or $100 per month for a regular savings plan)</td>
</tr>
<tr>
<td>Minimum withdrawal amount</td>
<td>$1,000</td>
</tr>
<tr>
<td>Minimum balance</td>
<td>$5,000</td>
</tr>
</tbody>
</table>

*If you are investing in the Fund through a Masterfund or Investor Directed Portfolio Service (‘IDPS’), the minimums detailed above may not apply. You should refer to your Masterfund or IDPS operator’s offer document. See ‘If you invest through a Masterfund or IDPS’ in Section 5 of the Additional Information Document for more information.

We will send you a statement confirming any transactions made by you at the time of the transaction (excluding those made using a regular savings plan).

Small account balances

If the current value of your account is below the minimum balance required, we may withdraw your units and pay you the proceeds. The amount payable will be the withdrawal price on the date of the withdrawal multiplied by the number of units you hold.

You should read important information about making investments and withdrawals and investing through a Masterfund or IDPS before making a decision. Go to the information about ‘Making investments and withdrawals’ in Section 1 and ‘If you invest through a Masterfund or IDPS’ in Section 5 of the Additional Information Document. The material relating to making investments and withdrawals and investing through a Masterfund or IDPS may change between the date when you read this PDS and the day when you acquire the product.

Distributions

Generally, any distributions of net income are paid to you within 21 business days at the end of each calendar quarter until 30 June 2019 (i.e. March, June, September, and December). From 1 July 2019 distributions of net income will be paid within 21 days at the end of each calendar month.

Any net realised gains earned by the Fund are generally distributed at the end of the financial year. It is our standard practice to source distributions from net income and net realised gains only. The distribution policy will be aligned to the ongoing annual earning capacity of the Fund.

Although it is not our intention to source future distribution payments from sources other than net income and net realised capital gains, we may do so if we consider it to be in the interests of our investors and where payment from that source is expected to be sustainable given the circumstances.

The amount of distribution income paid to you is based on the number of units you hold at the end of each distribution period.

You can reinvest your distribution. The distribution reinvestment price is the unit price at the end of the distribution period less the amount of distribution per unit payable, excluding any buy/sell spread. If you wish to reinvest your distributions, you should complete Section 6 of the Application Form.

1 Depending on the underlying investments, distributions may not be paid every month.
3. Benefits of investing in the Fund
The significant features and benefits of the Fund are:

- distributions to investors paid monthly from 1 July 2019.
- (distributions to investors are paid quarterly until 30 June 2019);
- the potential for capital growth over the medium to long-term; and
- ability to obtain some tax deferred income.

You should read important information about the constitution before making a decision. Go to the information about the ‘Constitution’ and ‘Additional disclosure information’ in Section 5 of the Additional Information Document. The material relating to the constitution may change between the date when you read this PDS and the day when you acquire the product.

4. Risks of managed investment schemes

What is risk?
‘Risk’ generally refers to the variability or volatility of an investment return and the likelihood of incurring a loss on your investment. You should consider the likely investment return, the risk associated with the Fund and your investment timeframe when choosing to invest in the Fund. All investments come with a degree of risk and different strategies carry different levels of risk, depending on the assets that make up the strategy. You will need to determine how much risk you are able, or willing, to tolerate as the level of risk for each person will vary depending upon a range of factors, including age, investment time frames, your overall investment portfolio, and your individual risk tolerance.

The main risks of investing include: the value of your investment will vary, the amount of income generated from the investment may fluctuate or decrease, or you may receive a lower than expected rate of return. Returns of the Fund are not guaranteed. The level of returns will vary, and there is a risk that investors may lose some of their money. Future returns may differ from past returns. These risks can arise from various circumstances, including:

- changes to government policies and legislation that may have adverse impacts on registered managed investment schemes such as this Fund, investment markets or the tax treatment of investment returns (‘regulatory risk’); for further information see ‘Australian Tax Reform’ in Section 4 of the Additional Information Document; and
- changes to social, economic (e.g. inflation and interest rates), political, commercial and technological environments, or to market sentiment, that may make certain investments less attractive (‘market risk’).

In general, there is a relationship between the level of return generated by an investment and its level of risk. Assets with the highest potential long-term returns often also carry the highest level of short-term risk.

The spectrum below shows the five main types of investments according to their relationship between risk and return for you to consider.

<table>
<thead>
<tr>
<th>Cash</th>
<th>Fixed interest/Mortgages</th>
<th>Property</th>
<th>Equities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lower risk; but normally a lower return</td>
<td>Lower risk; over a longer term</td>
<td>Higher risk; but normally a higher return</td>
<td>Higher risk; over a longer term</td>
</tr>
</tbody>
</table>

If the security of your money is your highest concern when selecting investments, you should choose an investment with lower risk, bearing in mind that your return may be lower over the long-term. Conversely, if your focus is towards achieving higher returns, you will need to be comfortable with the fluctuations in the value of your investment before selecting an investment with higher risk.

How we manage risk
We are unable to eliminate all investment risks, but we do analyse, manage and aim to reduce the impact of risks through the use of carefully considered investment guidelines.

How you can manage your risk
In managing your risk, we recommend that you:

- seek your own professional advice to help you understand how your current financial situation, and your investment objectives, affect the selection of investments;
- consider your investment timeframe, your investment objectives and your risk tolerance; and
- diversify your investments to help reduce risk and the volatility of investment returns.

Particular significant risks relevant to the Fund
The Fund predominantly invests in listed A-REITs which are typically exposed to market risk. In addition to general market risk, the value of a specific A-REIT’s price can rise or fall depending on the market’s perception of the A-REIT’s internal operations, management, financial position or business environment. Prices can be volatile, which means the value of your investment can increase or decrease frequently.

Derivatives risk
A derivative is a financial instrument which derives its value from another source, such as a share. The main types of derivatives are futures, options and swaps. The Fund may seek to use derivatives to obtain market exposure, manage market risk and to make investments, but will generally not use derivatives for gearing purposes or speculative activities.

Derivatives can expose a fund to risks such as market risk (the risk that the value of the derivative will fluctuate due to movement in the price of the underlying security, index or financial obligation), basis risk (this arises in situations where the value of the derivative moves independently from the value of the underlying security, index or financial obligation), and counterparty risk (the risk of loss arising from the failure of another party to meet contractual obligations). Derivatives may be used for hedging purposes and for implementing portfolio positions, provided the asset class range is not exceeded. Derivatives are not used for gearing purposes or for speculative activities.
Liquidity risk
Liquidity relates to how quickly you can access your money from an investment. Investments in direct property, for example, are generally less liquid than cash, due to the time it takes to sell property. Similarly, securities of small capitalisation companies may be less liquid than large capitalisation companies. This is a risk in all market conditions, however, especially in falling markets.

The Fund holds a certain amount of cash and other liquid assets to enable you to access your money in a relatively short amount of time. However, if the level of withdrawals exceeds the available liquid assets, it may take longer for you to access your money or the Fund may lose value from selling assets at an inopportune time. In exceptional circumstances, the Fund may hold unlisted securities.

5. How we invest your money
Investment objectives
The Fund aims to outperform the S&P/ASX 300 A-REIT Index ("Index") total return by 150% per annum (before management costs), over rolling three year periods (the "Primary Objective").

In addition to the Primary Objective, the Fund aims to outperform the distribution yield of the Index (before management costs) over a rolling 12 month basis.

Investment approach
The Fund primarily invests between 65-100% of assets in A-REITs, with the balance held in cash or similar investments and up to a maximum of 25% of the Fund's assets held in stocks outside the Index. Stocks may include but are not limited to listed property companies e.g. property developers and property fund managers, derivatives, listed securities such as real asset based infrastructure aged care, retirement living and hotels. From time to time, it may also include international property securities up to a maximum of 10%.

The investment approach is an active, bottom-up style with a top down overlay. This means that investment decisions are made independent of Index composition but within active risk limits. Income earned from A-REITs, stocks and interest on any cash holdings generates income for the Fund which is used to pay the Fund's management costs and ongoing expenses. Once these costs are paid, the remaining income is distributed to investors. The capital gain (or loss) on your investment is largely attributed to changes in the value of the underlying listed A-REITs and stocks in the portfolio.

Due to the nature of its investment strategy, we consider the level of investment risk in the Fund to be medium to high.

Authorised Investments
AUFM may vary the Fund's investment objective from time to time. AUFM will advise investors in writing of a change to the investment objective of the Fund.

Who should invest in the Fund?
This Fund is typically suited to investors who:

- are seeking exposure to the listed A-REIT sector;
- seek regular distribution payments;
- are looking to diversify their existing property portfolio, and
- have at least a five-year investment outlook and accept the volatility characteristics of listed A-REITs and other listed stocks.

You should consider the likely investment return, risk and your investment time frame when choosing to invest in the Fund. It is important that you consider the risks of investing which are explained in Section 4 of this PDS.

Labour standards or environmental, social or ethical considerations
We generally do not take into account labour standards or environmental, social or ethical considerations in the selection, retention or realisation of investments in the Fund offered under the PDS.

Switching to another Australian Unity fund
The Fund has only a single investment option and switching is not available. As we currently have no intention to add further investment options to this Fund, if you find the Fund no longer suits your needs you should consider withdrawing and applying for another investment that better suits your investment requirements. For the latest range of funds offered by Australian Unity, please refer to our website www.australianunity.com.au/wealth.
6. Fees and costs

DID YOU KNOW?
Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns. For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from $100,000 to $80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs. You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.

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

This document shows fees and other costs that you may be charged. These fees and costs may be deducted from your account from the returns on your investment or from the Fund assets as a whole. You should read all the information about fees and costs because it is important to understand their impact on your investment.

The information can be used to compare costs between different managed investment schemes.

<table>
<thead>
<tr>
<th>TYPE OF FEE OR COST</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fees when your money moves in or out of the fund</td>
<td>Nil</td>
</tr>
<tr>
<td>Establishment fee</td>
<td>Nil</td>
</tr>
<tr>
<td>Contribution fee</td>
<td>Nil</td>
</tr>
<tr>
<td>Withdrawal fee</td>
<td>Nil</td>
</tr>
<tr>
<td>Termination fee</td>
<td>Nil</td>
</tr>
<tr>
<td>Management costs</td>
<td>Nil</td>
</tr>
</tbody>
</table>

The fees and costs for managing your investment:

- A management fee of 0.86% p.a. of the gross asset value of the Fund;
- Recoverable expenses estimated to be 0.12% of the gross asset value of the Fund for the financial year ending 30 June 2018;
- Estimated indirect costs of 0.000% of the net asset value of 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 1 year period. You should use this table to compare this product with other managed investment products.

<table>
<thead>
<tr>
<th>EXAMPLE – Australian Unity A-REIT Fund</th>
<th>BALANCE OF $50,000 WITH A CONTRIBUTION OF $5,000 DURING YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contribution Fees</td>
<td>Nil</td>
</tr>
<tr>
<td>PLUS Management Costs</td>
<td>0.98% p.a.</td>
</tr>
</tbody>
</table>

EQUALS Cost of Fund
If you had an investment of $50,000 at the beginning of the year and you put in an additional $5,000 during that year, you would be charged fees of $490.00.5
What it costs you will depend on the investment option you choose and the fees you negotiate.

1. This is the Indirect Cost Ratio (ICR) based on the Fund’s Net Assets for the period 1 July 2017 to 30 June 2018.
2. This example assumes that the contribution of $5,000 is made at the end of the year, and therefore no management costs for the contribution have been included.
3. A buy/sell spread may apply to investments in and out of the Fund (see Buy and sell spreads and estimated transactional and operational costs in Section 3 of the Additional Information Document).

ASIC provides a fees calculator on its ‘moneysmart’ website that you could use to calculate the effects of fees and costs on account balances.

Additional explanation of fees and costs

Fee changes
Fees may increase or decrease for many reasons, including changes in the competitive, industry and regulatory environments or simply from changes in costs. We can change fees, without your consent, but we will provide at least 30 days written notice of any increase.

Good and Services Tax
Fees and charges set out in this PDS, unless otherwise stated, are inclusive of goods and service tax (GST) less input tax credits (including approximate reduced input tax credits) that the Fund may be entitled to claim.

Payments to financial advisers and intermediaries
The Corporations Act 2001 contains provisions which regulate, and in some cases prohibit, payments to financial advisers and intermediaries by product issuers. Any arrangement by us to make payments or provide incentives to financial advisers and intermediaries will be entered into in compliance with the legislation.

1. Management costs do not include the Fund’s transactional and operational costs some of which are recovered via the buy/sells spreads. For more information refer to ‘Transaction and operational costs’ in Section 3 of the Additional Information Document.
2. These fees may be negotiated for investors who qualify as a wholesale client (as defined in the Corporations Act 2001). Refer to ‘Wholesale clients’ in Section 3 of the Additional Information Document.
3. Refer to ‘Indirect costs’ in Section 3 of the Additional Information Document for more information on the Fund’s indirect costs.

Warning: Other service fees, such as an advice fee, may apply if you have a financial adviser. Refer to ‘Payments to your financial adviser’ section for more information.
Payments to your financial adviser
You can choose to make payments to your financial adviser through an 'advice fee' from your account. This payment reflects your arrangement with your financial adviser as set out in the Statement of Advice provided by your financial adviser and is calculated and deducted (by way of a withdrawal of units, which may have taxation consequences) on a monthly basis. The advice fee is not a fee paid to us. You must notify us if you change or cancel your arrangement with your financial adviser.
For example, if your average monthly account balance is $10,000 and you nominate an ongoing advice fee of 1.10% p.a. this equates to approximately $9.17 per month. The dollar amount will vary depending upon the average value of your account each month.

You should read important information about fees and costs before making a decision. Go to ‘Fees and costs’ in Section 3 of the Additional Information Document. The material relating to fees and costs may change between the date when you read this PDS and the day when you acquire the product.

7. How managed investment schemes are taxed
Australian taxation
Investing in a registered managed investment scheme is likely to have tax consequences. Taxation law is complex and its application is dependent on your individual circumstances. We recommend that you seek independent professional tax advice about how it applies in your specific circumstances.
The Fund elected to be an Attribution Managed Investment Trust (AMIT) for tax purposes from the 2018 income year. The Fund itself should not pay tax on the basis that it will attribute trust components to investors each financial year on a fair and reasonable basis. You will need to include in your income tax return your share of the Fund’s taxable income and capital gains for each financial year.
You should read important information about taxation before making a decision. Go to the ‘Additional information about taxation’ in Section 4 of the Additional Information Document. The material relating to taxation may change between the date when you read this PDS and the day when you acquire the product.

8. How to apply
1. Read this Product Disclosure Statement and the Additional Information Document.
2. Complete the Application Form, ensuring you follow the accompanying instructions.
3. You can send the completed Application Form together with a cheque or your direct debit request instructions to:
Australian Unity
Investor Services - Wealth
Reply Paid 64466
South Melbourne VIC 3205
(No stamp required if mailed in Australia)
The application will be considered lodged when it is received in our Melbourne office on a Melbourne business day, prior to 3.00 pm.
The Application Form for the Fund can be found on our website at www.australianunity.com.au/wealthyarf

Handling of applications
No interest will be paid on application amounts for the period from receipt until the issue of units occurs. Similarly, no interest will be paid to any investor whose application (or part of an application) is returned by us unfulfilled. Any interest earned on the application amount during this period will be retained by the Fund and form part of its income for the benefit of investors. We may, in our absolute discretion, reject in whole or in part any application. We need not give any reason for the rejection.

Changing your mind
Generally you have a 14-day cooling off period to decide if this investment is right for you. The 14-day period starts on the earlier of:
• the date you receive your initial investment transaction statement, or
• five business days after your units are issued.
Therefore if you wish to cancel your investment, it is important that you write to us before the expiration of this period.
The amount repaid to you is adjusted to reflect any increase/decrease in the value of the investment due to market movement. We will also deduct any taxes or duties payable and transaction costs. As a result, the amount returned to you may be less than your original investment.
If you are an investor who qualifies as a ‘wholesale client’ as defined in the Corporations Act 2001, the cooling off period is not available to you.
Dispute resolution
We take complaints seriously and aim to resolve them as quickly as possible. If you would like to make a complaint you can call us on 13 29 39, email us at investments@australianunity.com.au or write to us at the following address:

Manager – Investor Services
Australian Unity
114 Albert Road
South Melbourne VIC 3205
We will promptly acknowledge your complaint within 3 business days. Following an investigation, we will decide in a timely manner what action needs to be taken. We will notify you of our decision within 45 days after receipt of the complaint, together with any remedies that are available, or other avenues of appeal against the decision.

If you are not satisfied with our handling or resolution of your complaint then you may contact the external independent body that has been established to provide recourse for consumers, free of charge. This is:

Australian Financial Complaints Authority,
Website: www.afca.org.au
Email: info@afca.org.au
Telephone: 1800 931 678 (free call)
Fax: (03) 9613 6399
In writing to: Australian Financial Complaints Authority
GPO Box 3, Melbourne VIC 3001

9. Other information
Related party transactions
All transactions we enter into in relation to the Fund, including those with related parties, are on arm’s length commercial terms.

Entities within the Australian Unity Group may provide registry, accounting, asset management and tax services to the Fund for fees charged at a commercial rate.

Policies and guidelines are in place to manage the risk of any actual or perceived conflict of interest as a result of a related party transaction. Related party transactions with Australian Unity Group entities are reviewed and approved by senior management with clearly identified governance policies and guidelines. Details of material related party transactions are reported yearly as part of the Fund’s Annual Report. The Fund’s Annual Reports are published on our website.