

FirstChoice

Investments

Including FirstRate Saver,
FirstRate Term Deposits and
FirstChoice Margin Lending



Strength from one of Australia's most popular platforms

Product Disclosure Statement

This is a combined Financial Services Guide and Product Disclosure Statement

Part 1 of 2 parts

General Information (including Application Forms)

FirstChoice Investments, FirstRate Saver, FirstRate Term Deposits and FirstChoice Margin Lending

Issue No 10, dated 1 June 2009

Issued by: Colonial First State Investments Limited ABN 98 002 348 352 AFS Licence 232468

We want what you want

Colonial
First State

This is a combined Financial Services Guide (FSG) and Product Disclosure Statement (PDS) for FirstChoice Investments. Sections 5 and 6 contain information about and terms and conditions for FirstRate Saver, FirstRate Term Deposits and FirstChoice Margin Lending.

The name and contact details of the responsible entity are:

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This Product Disclosure Statement is provided in two parts:

Part 1 FirstChoice Investments, FirstRate Saver, FirstRate Term Deposits and FirstChoice Margin Lending – General Information including Application Forms (this document)

Part 2 FirstChoice Investments, FirstChoice Personal Super, FirstChoice Pension – Investment Options Menu

If you have not received both parts, please contact Colonial First State on 13 13 36.

You must read both Part 1 and Part 2 before making a decision to acquire this product.



FirstChoice Investments

Investments in FirstChoice Investments (referred to in this PDS as 'FirstChoice Investments', 'FirstChoice' or 'the fund') are offered by Colonial First State Investments Limited ABN 98 002 348 352 AFS Licence 232468. Unless otherwise stated in this PDS, Colonial First State Investments Limited or its licensed related entities to which it has delegated investment management or administration functions in relation to this product are referred to in this PDS as 'Colonial First State', 'the responsible entity', 'we', 'our' or 'us'.

The responsible entity may change any of the terms and conditions in the PDS with, in the case of material changes, 30 days notice to investors.

Colonial First State is a subsidiary of Commonwealth Bank of Australia ABN 48 123 123 124 AFS Licence 234945 ('the Bank'). The Bank and its subsidiaries do not guarantee the performance of FirstChoice Investments or the repayment of capital by FirstChoice Investments. With the exception of FirstRate Saver and FirstRate Term Deposits (refer to section 5) investments in FirstChoice Investments are not deposits or other liabilities of the Bank or its subsidiaries and investment-type products are subject to investment risk including loss of income and capital invested.

Colonial First State reserves the right to outsource any or all of its investment management functions, including to related parties, without notice to investors.

The issue of FirstChoice Investments in this PDS is authorised solely by Colonial First State Investments Limited. Apart from Colonial First State, neither the Bank nor any of its subsidiaries are responsible for any statement or information contained within this PDS relating to FirstChoice Investments.

The investment managers of the investment options available for investment through FirstChoice Investments have given, and not withdrawn, their consent to be referenced in this PDS. The investment managers are acting as investment managers only for the relevant options. They are not issuing, selling, guaranteeing, underwriting or performing any other function in relation to the options.

RAFI and Fundamental Index are trademarks of Research Affiliates LLC, and are used with permission. Patent pending: WO 2005/076812, WO 2007/078399 WO 2008/118372, EPN 1733352.

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

Units in FirstChoice cannot be issued unless you use the application form attached to either a paper or an electronic copy of this PDS.

The offer made in this PDS is available only to persons receiving this PDS within Australia. The offer may, at the discretion of Colonial First State, be made in New Zealand at a later date during the term of this PDS.

If Colonial First State elects to make the offer in New Zealand, it will be available only to persons who have received the relevant offer document in New Zealand and have completed the application form attached to that relevant offer document to make their initial investment. This will only be made in accordance with the terms of any treaty which allows Colonial First State to make the offer in New Zealand.

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

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

FirstChoice, FirstNet and FirstLink are trademarks of Colonial First State Investments Limited.

FirstRate Saver and FirstRate Term Deposits (refer to section 5)

FirstRate Saver and FirstRate Term Deposits are deposit products of the Bank. The issue of FirstRate Saver and FirstRate Term Deposits in this PDS is authorised solely by the Bank. To the extent permitted by law, neither Colonial First State nor any of its subsidiaries are responsible for any statement or information contained within this PDS that relates to FirstRate Saver and FirstRate Term Deposits. Colonial First State does not guarantee the performance or return of capital on investments in FirstRate Saver and FirstRate Term Deposits.

FirstChoice Margin Lending (refer to section 6)

The lender to FirstChoice Margin Lending is the Bank.

The issue of FirstChoice Margin Lending in this PDS is authorised solely by the Bank. To the extent permitted by law, neither Colonial First State nor any of its subsidiaries are responsible for any statement or information contained within this PDS that relates to FirstChoice Margin Lending.

The Bank does not make any recommendations (express or implied) about any of the investments offered by Colonial First State. No warranty or guarantee is given by the Bank or any of the Bank's subsidiary companies for the repayment of capital invested or the payment of income with respect to any investment listed as security.

Only investors who fully understand the risks associated with gearing (ie borrowing to invest) into investments should apply. Both the Bank and Colonial First State strongly recommend that you seek independent financial advice before establishing a margin lending facility.

A margin loan is not a financial product under Chapter 7 of the Corporations Act 2001. As such, rights relating to either or both investment-type financial products in this PDS, such as FirstChoice Investments, do not apply to FirstChoice Margin Lending.

At the time of printing, the Government was undertaking a review of margin lending with the likely outcome that it will become a financial product which may alter your rights.

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1 FirstChoice Investments

What is FirstChoice?

FirstChoice makes investing easy by providing you with a wide range of investment options all through one account.

FirstChoice Investments has been designed to help you achieve your investment goals whether they are short term, such as a car or a trip overseas, or longer term, such as making sure you can retire comfortably. FirstChoice Investments offers a wide range of investment options from some of the world's most respected managers.

FirstChoice Margin Lending is a loan facility that allows you to increase the amount you can invest by borrowing money.

FirstRate Saver and FirstRate Term Deposits provide you with the peace of mind of a competitive fixed or variable interest rate offered by one of Australia's leading financial institutions, the Commonwealth Bank of Australia.

Why choose FirstChoice?

Value

Colonial First State is a leader in providing value for money. With FirstChoice you know what the fees are, so there are no surprises. We've taken an investor's perspective and avoided the expensive bells and whistles to give you what you really want – quality at a competitive price.

Service

Service is the heart of our business – we've made it simple for you to keep track of your investments, however you like to communicate – online, over the phone, in person or by mail. And because we choose our customer service people carefully, there will be someone friendly and informative waiting to respond.

When you deposit or switch funds between investment options, we aim to have written confirmation sent to you within 48 hours.

You will receive consolidated reports twice a year, which give you a complete picture of all your investments and list all your transactions. And every July you will receive a comprehensive tax statement which provides you with all the information needed for your annual tax return.

Choice

Investment performance is a key focus for Colonial First State. With FirstChoice, you can choose from over 105 investment options offered by well-known investment managers, including Colonial First State, as well as specialist boutique managers.

You also have access to a range of managers and asset classes through our professionally constructed multi-manager portfolios.

The result is an investment menu that offers genuine value, service and choice.



FirstChoice

This page summarises some important information about FirstChoice Investments.

Minimums

The minimum initial investment is	\$5,000
The minimum initial investment is \$1,000 when a regular investment plan is established, to bring the account up to \$5,000	
The minimum account balance is	\$1,000
There is no minimum additional investment amount	
The minimum regular investment plan (monthly) is	\$100
There is no minimum switch amount	
There is no minimum withdrawal amount ²	
The minimum regular withdrawal plan (monthly or quarterly) ² is	\$100

Further information is outlined in the section 'Establishing and transacting on your account' on pages 14 to 16.

Investment options

FirstChoice gives you access to over 105 investment options managed by some of the leading Australian and international investment managers and specialist boutique managers (refer to the Investment Options Menu (Part 2) for further details).

FirstChoice Margin Lending

FirstChoice Investments offers a uniquely integrated margin lending service (refer to section 6 on pages 25 to 32 for full details).

FirstRate Saver and FirstRate Term Deposits

FirstRate Saver provides you with an easy to use, low risk deposit account with a competitive interest rate.

FirstRate Term Deposits provide the additional security of a fixed interest rate and knowing your interest rate is protected for the whole of the nominated 3, 6, 9 or 12 month investment term. FirstRate Term Deposits will be available from 13 July 2009.

Refer to section 5 on pages 19 to 24 for full details.

Fees¹

Current contribution fee

- Nil (Cash and deposit options)
- Up to 4% (all other options)

Current management costs

- 0.00% (FirstRate Saver and FirstRate Term Deposits)
- 2.66% to 4.27% pa (geared options)
- 1.20% to 4.56% pa (options with performance fees)
- 1.10% to 2.45% pa (all other options)

Transaction costs ('buy/sell' spread)

0% to 0.75% per transaction (varies by investment option)

Portfolio rebate (pa) on balance

- | | |
|--------------------|-------|
| → First \$400,000 | Nil |
| → Next \$600,000 | 0.20% |
| → Over \$1,000,000 | 0.40% |

Please refer to page 13 for further details

Adviser service fee

Agreed between you and your financial adviser

Further information is outlined in the section 'Fees and other costs' on pages 7 to 13.

Cooling-off

A 14-day cooling-off period may apply to your initial investment (refer to page 37).

Complaints resolution

We have a complaint handling process in place (refer to page 37).

¹ All fees disclosed include the net effect of GST except for the adviser service fee, which is inclusive of GST. We can change fees at any time at our discretion. If the change is an increase in fees, we will give you 30 days prior written notice. Pages 7 to 13 outline all fees that apply to each option. Please read this information carefully before investing.

² Subject to minimum account balance requirements.

2 Understanding investment risk

Understanding investment risk is the key to successfully developing your investment strategy.

What is risk?

Before you consider your investment strategy, it is important that you understand the risks that can affect your investments.

All investments are subject to risk. This means that you can lose money on your investments or that they may not meet your objectives, such as growth in the value of your investments or the expected return from your investments.

What risks affect your investments?

General risks for all options

The main risks which affect all investments are:

Market risk

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

Security and investment-specific risk

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

Management risk

Each option in this PDS has an investment manager to manage your investments on your behalf. There is a risk that the investment manager will not perform to expectation.

Liquidity risk

Liquidity risk refers to the difficulty in selling an asset for cash quickly without an adverse impact on the price received.

Assets such as shares in large listed companies are generally considered liquid, while 'real' assets such as direct property and infrastructure are generally considered illiquid.

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

Option-specific risks

Risks that are specific to some particular investment options are:

Currency risk

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

Investment options in this PDS which have significant currency risks adopt different currency management strategies. These strategies may include currency hedging, which involves reducing or removing the impact of currency movements on the value of the investment. Information on the currency management strategy for each option with a significant currency risk is set out in that option's description in the Investment Options Menu (Part 2).

Because different options have different currency management strategies, you should consult your adviser on the best approach for you. Additional important information about currency risk is provided on page 35.

Derivatives risk

Derivatives are contracts between two parties that usually derive their value from the price of a physical asset or market index.

They can be used to manage certain risks in investment portfolios; however, they can also increase other risks in a portfolio or expose a portfolio to additional risks. Risks include: the possibility that the derivative position is difficult or costly to reverse; that there is an adverse movement in the asset or index underlying the derivative; or that the parties do not perform their obligations under the contract. In general, investment managers may use derivatives to:

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

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

Credit risk

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

Generally, we endeavour to manage counterparty credit risk through the following processes:

- reviewing overall counterparty credit risk, the nature of lending principles and arrangements, the availability and adequacy of security where relevant
- applying stringent credit risk management policies and prudent valuation policies
- managing and/or limiting specific counterparty credit risk to particular counterparties, sectors and geographic locations.

Term deposit risk

Specific risks apply to investments in term deposits. Refer to section 5 – FirstRate Saver and FirstRate Term Deposits for information about this product.

Gearing risk

Gearing means borrowing money to invest more money. This PDS offers two methods of gearing:

- geared FirstChoice investment options – this is where **the option** borrows money to invest more (refer to Part 2 on pages 38 to 39 for additional information on gearing and further details about the risks for this method of gearing)
- FirstChoice Margin Lending – this is where **you** borrow money from the lender to invest more (refer to section 6 on page 25). Specific risks relating to FirstChoice Margin Lending are also set out on page 25.

Both methods of gearing can increase potential gains. Gearing always increases losses and variability in the value of the portfolio.

Short selling risk

Some of the options in this PDS use short selling. Short selling means the option sells a security it does not own to try to profit from a decrease in the value of the security. This is generally done by borrowing the security from another party to make the sale. Short selling strategies involve additional risks such as liquidity risk, counterparty risk, leverage risk and regulatory risk. Regulatory risk may affect an investment option's ability to utilise short selling in the way described in the investment strategy.

Details of the options that use short selling and additional information on short selling risks are contained in the Investment Options Menu (Part 2) on pages 39 to 40.

Emerging markets risk

Due to the nature of the investments in emerging markets, there is an increased risk that the political and/or legal framework may change and adversely impact your investments. This could include the ability to sell assets. For further information, refer to Part 2 on page 39.

Further details about the risks of gearing, emerging markets and short selling are contained in the Investment Options Menu (Part 2) on pages 38 to 40.

All of the investment options in this PDS are subject to some or all of these risks. You should consult your adviser before making a decision to invest.

Role of your financial adviser

Your financial adviser is required to be qualified in understanding the risk and return associated with the wide range of investment options available to you and can help you make decisions regarding these options appropriate to your individual circumstances.

Your financial adviser can assist you to meet your financial needs.

Your financial adviser may play a large role in implementing your financial plan. We have therefore designed an online platform service to enable your adviser to carefully monitor the progress of your portfolio and make transactions on your behalf if you nominate this.

If you choose to appoint your financial adviser to transact on your FirstChoice account, please complete the Adviser Online Transaction Authority on page 77.

2 Understanding investment risk

Is there any other way you can manage investment risk?

An important way that can help you reduce investment risk is by spreading your money across different investments. This approach is called diversification. Through FirstChoice, you can do this in three ways:

1 Within each asset class – Investing in a range of securities within an asset class means that returns will generally be less dependent on the performance of any single security. This may reduce the overall security-specific risk across your portfolio.

2 Across asset classes – Investing in a range of asset classes means the impact of ups and downs in any single asset class or market can be reduced. That is, you can spread your exposure to different markets.

3 Across investment styles – Different investment managers adopt different styles like ‘value’ or ‘growth’, and these styles can perform differently at different times. Investing in a portfolio with a mix of investment managers can help you smooth out any performance variations more effectively. That is, manager risk may be reduced.

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

Are there any other risks you should be aware of?

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

Range of returns from the main asset classes

Different investments perform differently over time.

Investments that have provided higher returns over the longer term have also tended to produce a wider range of returns. These investments are generally described as more risky, as there is a higher chance of losing money, but they can also give you a better chance of achieving your long-term objectives.

Investments that have provided more stable returns are considered less risky, but they may not provide sufficient long-term returns for you to achieve your long-term goals.

Selecting the investments that best match your investment needs and timeframe is crucial in managing this risk.

How should you determine your investment timeframe?

Your adviser can help you determine your investment timeframe.

If you are mainly concerned about protecting your capital over a relatively short period of time, then a secure, cash-based investment may be the most suitable.

However, if you want the value of your investment to increase over a longer period, then growth assets like shares and property are likely to be included in your investment portfolio.

Although we have suggested minimum investment timeframes in the Investment Options Menu (Part 2), together with individual risk meters associated with each particular investment, you should regularly review your investment decision with your financial adviser because your investment needs or market conditions may change over time. Our minimum suggested timeframes and our indicative risk meters associated with particular investments should not be considered personal advice.

What are the main asset classes?

Cash generally refers to investments in bank bills and similar securities which have a short investment timeframe. Cash investments generally provide a stable return, with low potential for capital loss.

Fixed interest securities, such as bonds, generally operate in the same way as loans. You pay cash for the bond and in return you receive a regular interest payment from the bond issuer for an agreed period of time. The value of the bond can fluctuate based on interest rate movements. When the bond matures, the loan is repaid in cash. Historically, bonds have provided a more consistent but lower return than shares.

Property generally involves buying a property directly or investing in property securities. Each property security holds real property investments in sectors such as office, industrial and retail. Property securities are generally listed on a stock exchange and are bought and sold like shares. Historically, property investments have been less volatile than shares.

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

Consumer advisory warning

Did you know?

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

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

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

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

To find out more

If you would like to find out more, or see the impact of the fees based on your own circumstances, the Australian Securities and Investments Commission (ASIC) website (www.fido.asic.gov.au) has a managed investment 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 money, from the returns on your investment or from the fund assets as a whole.

Taxes are set out in another part of this document.

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

Fees and costs for particular investment options are set out on pages 8 to 9.

FirstRate Saver and FirstRate Term Deposits are deposit products of the Bank, refer to section 5 – FirstRate Saver and FirstRate Term Deposits for information on these products.

Type of fee or cost	Amount ¹	How and when paid
Fees when your money moves in or out of the fund		
Establishment Fee		
The fee to open your investment.	Nil	N/A
Contribution Fee^{2,3}		
The fee on each amount contributed to your investment.	Nil (Cash and deposit options) Up to 4.0% (all other options)	We will deduct the applicable contribution fee from your initial investment and any additional investments. The contribution fee you pay is negotiated with your adviser, up to the maximum shown in this table. Where you do not use an adviser, the maximum contribution fee applies. <i>If you are switching from the Cash and deposit options to any other investment option, you may pay the difference in the two contribution fees.</i>
Withdrawal Fee³		
The fee on each amount you take out of your investment.	Nil	N/A
Termination Fee		
The fee to close your investment.	Nil	N/A
Management Costs²		
The fees and costs for managing your investment.		Unless otherwise stated in this PDS, the management cost is expressed as a percentage of the total average net assets of the option, including estimated performance fees (if applicable). See page 10 for details of options with performance fees.
FirstRate Saver and FirstRate Term Deposits (refer to section 5 on pages 19 to 24)	0.00% pa	The management costs are reflected in the daily unit price and payable monthly or as incurred by the option.
Geared options	2.66% to 4.27% pa	You may be entitled to management cost rebates which may reduce the fees and costs of your investment. Please refer to page 12 under the heading 'Negotiation of fees' for further details.
Options with performance fees	1.20% to 4.56% pa	
All other options	1.10% to 2.45% pa	
	The amount you pay for specific investment options is shown on pages 8 to 9.	
Service Fees		
Switching Fee³		
The fee for changing investment options.	Nil	There are no fees for changing investment options. However, you should be aware that contribution fees may apply if you are switching from the Cash and deposit options (as outlined above).
Adviser Service Fee		
Please refer to page 12 for further details.		

1 All figures disclosed include the net effect of GST, except for the adviser service fee, which is inclusive of GST.

2 This fee may include an amount payable to us which is paid to an adviser. Refer to 'What is paid to your adviser?' on page 12.

3 Transaction costs ('buy/sell' spreads) apply to most options (refer to page 11 for further details).

Management and transaction costs

Option name	Management costs including estimated performance fee (pa)	Estimated performance fee (pa) ¹	Transaction costs per transaction (%)
Multi-manager multi-sector			
FirstChoice Defensive	1.55%		0.15
FirstChoice Conservative	1.65%		0.15
FirstChoice Moderate	1.80%		0.15
FirstChoice Balanced	1.85% ⁴		0.20
FirstChoice Growth	1.90%		0.20
FirstChoice High Growth	2.01%		0.30
FirstChoice Geared Growth Plus ^{2,6}	1.90%(g)/4.22%(n) ⁴		0.30-0.75 ³
Multi-manager single sector			
FirstChoice Fixed Interest	1.50%		0.20
FirstChoice Property Securities	1.65%		0.20
FirstChoice Global Property Securities	2.01%		0.30
FirstChoice Global Infrastructure Securities	2.01%		0.35
FirstChoice Australian Share	1.85%		0.20
FirstChoice Boutique Australian Share	1.95%		0.20
FirstChoice Australian Small Companies	2.12%		0.25
FirstChoice Global Share	2.00%		0.25
FirstChoice Global Share – Hedged	2.00%		0.25
FirstChoice Asian Share	2.30%		0.35
FirstChoice Emerging Markets	2.30% ⁴		0.30
FirstChoice Geared Boutique Australian Share ^{2,6}	1.95%(g)/3.81%(n)		0.20-0.50 ³
FirstChoice Multi-Index series			
FirstChoice Multi-Index Conservative	1.40% ⁴		0.10
FirstChoice Multi-Index Balanced	1.48% ⁴		0.20
Single manager multi-sector			
Conservative			
Colonial First State Conservative	1.65%		0.10
Perpetual Conservative Growth	1.70%		0.10
Moderate			
Colonial First State Balanced	1.80%		0.15
ING Balanced	1.80%		0.15
Perpetual Diversified Growth	1.80%		0.15
Growth			
BT Active Balanced	1.90%		0.20
Colonial First State Diversified	1.90%		0.20
ING Tax Effective Income	1.90%		0.15
Perpetual Balanced Growth	1.90%		0.20
High growth			
Colonial First State High Growth	2.00%		0.30
Perpetual Split Growth	2.00%		0.30
Single manager single sector			
Cash and deposits			
Colonial First State Cash	1.10%		nil
FirstRate Saver ⁵	0.00%		nil
FirstRate Term Deposits ⁵	0.00%		nil
Fixed interest and income			
Colonial First State Diversified Fixed Interest	1.30%		0.20
Colonial First State Global Credit Income	1.30%		0.30
Deutsche Australian Bond	1.50%		0.10
ING Diversified Fixed Interest	1.55% ⁴		0.15
Macquarie Income Opportunities	1.55% ⁴		0.15
Enhanced yield			
Acadian Quant Yield	1.40% ^{1,4}	0.00% ¹	0.15
Colonial First State Enhanced Yield	1.20% ¹	0.00% ¹	0.15
Goldman Sachs JBWere Income Plus	1.75%		0.15
PM Capital Enhanced Yield	1.30% ¹	0.00% ¹	0.10
Schroder Hybrid Securities	1.75%		0.20
Property and infrastructure securities			
BT Property Investment	1.65%		0.20
Challenger Property Securities	1.75%		0.20
Colonial First State Index Property Securities	1.10%		0.20
Colonial First State Property Securities	1.65%		0.20
Goldman Sachs JBWere Australian Infrastructure	1.80% ⁴		0.30
Principal Property Securities	1.65% ⁴		0.20
RREEF Property Securities	1.65%		0.20
Global property and infrastructure securities			
Colonial First State Colliers Global Property Securities	1.86%		0.30
Colonial First State Global Listed Infrastructure Securities	2.00% ⁴		0.35

These investment options are located in the enclosed booklet 'Part 2' on pages 9 to 14.

These investment options are located in the enclosed booklet 'Part 2' on pages 15 to 23.

For FirstRate Saver and FirstRate Term Deposits, see section 5.

Option name	Management costs including estimated performance fee (pa)	Estimated performance fee (pa) ¹	Transaction costs per transaction (%)
Single manager single sector (continued)			
Australian share			
Barclays Australian Share	1.85%		0.20
BlackRock Australian Share	1.85%		0.20
BT Core Australian Share	1.85%		0.20
Challenger Australian Share	1.85%		0.20
Challenger Australian Share Income	1.95% ⁴		0.30
Colonial First State Alpha Plus – Core	2.00% ^{1,4}	0.00% ¹	0.30
Colonial First State Australian Share – Core	1.86%		0.20
Colonial First State Equity Income	2.00% ⁴		0.25
Colonial First State Imputation	1.85%		0.20
Colonial First State Index Australian Share	1.10%		0.20
Fidelity Australian Equities	1.90% ⁴		0.20
ING Australian Share	1.86%		0.20
Maple-Brown Abbott Imputation	1.85%		0.20
Perpetual Industrial Share	1.85%		0.20
Realindex RAFI Australian Share	1.45% ⁴		0.20
Schroder Australian Equity	1.85%		0.20
Australian share – boutique			
Acadian Australian Equity	1.90%		0.20
Acadian Australian Equity Long Short	1.90% ¹	0.00% ¹	0.30
Ausbil Australian Active Equity	1.85%		0.20
452 Australian Share	1.85%		0.20
Integrity Australian Share	1.85% ⁴		0.20
Investors Mutual Australian Share	1.85%		0.20
Lodestar Australian Absolute Return	2.05% ^{1,4}	0.00% ¹	0.20
Perennial Value Australian Share	1.85%		0.20
PM Capital Australian Share	1.61% ¹	0.00% ¹	0.20
Australian share – small companies			
Ausbil Australian Emerging Leaders	4.56% ¹	2.65% ¹	0.25
Colonial First State Future Leaders	2.00%		0.20
Realindex RAFI Australian Small Companies	1.65% ⁴		0.20
Souls Australian Small Companies	4.15% ¹	2.45% ¹	0.25
Global share			
Acadian Global Equity	2.00%		0.25
AXA Global Equity – Value	2.01%		0.25
BT Core Global Share	2.00%		0.25
Capital International Global Share	2.00% ⁴		0.25
Colonial First State Global Share	2.00%		0.25
Colonial First State Index Global Share	1.30%		0.20
Colonial First State Index Global Share – Hedged	1.30%		0.20
DWS Global Equity Thematic	2.10% ⁴		0.25
MFS Global Equity	2.00% ⁴		0.25
Perpetual International	2.00%		0.25
Realindex RAFI Global Share	1.56% ⁴		0.20
Realindex RAFI Global Share Hedged	1.56% ⁴		0.20
Global share – specialist			
Acadian Global Equity Long Short	2.10% ¹	0.00% ¹	0.40
Colonial First State Global Resources	2.00%		0.30
Generation Global Sustainability	2.04% ¹	0.25% ¹	0.25
Goldman Sachs JBWere Global Small Companies	2.10%		0.30
Platinum International	2.45%		0.35
PM Capital Absolute Performance	1.80% ¹	0.00% ¹	0.25
Geared⁶			
Acadian Geared Global Equity ²	2.00%(g)/4.27%(n)		0.55
Colonial First State Colliers Geared Global Property Securities ²	1.85%(g)/4.01%(n)		0.75
Colonial First State Geared Global Share ²	1.69%(g)/2.66%(n)		0.40
Colonial First State Geared Share ²	1.45%(g)/2.94%(n)		0.20-0.50 ³
452 Geared Australian Share ²	1.90%(g)/4.16%(n)		0.20-0.50 ³

These figures are inclusive of the net effect of GST.

- 1 Refer to page 10 for more details on the calculation of performance fees and how performance fees have been estimated in the assessment of management costs.
- 2 The two figures shown above for the geared share options are based on the gross (g) assets (which includes the option's borrowings and is the lower of the two fees) and on net (n) assets (which excludes the option's borrowings and is the higher of the two fees). **This is not a change in how the option's fees are calculated or in the amount that is charged to the option.**
- 3 Transaction costs depend on the specific gearing level of the option.
- 4 For options that have not been in existence for 12 months (as at 31 January 2009), this is an estimated management cost. For these options with performance fees, we have assumed no outperformance.
- 5 FirstRate Saver and FirstRate Term Deposits are deposit products of Commonwealth Bank of Australia, refer to section 5 – FirstRate Saver and FirstRate Term Deposits on pages 19 to 24.
- 6 For these options, we are not remunerated by way of a cash fee. Instead, each month we receive units in the options at no cost in consideration for managing the options.

These investment options are located in the enclosed booklet 'Part 2' on pages 23 to 37.

3 Fees and other costs

Additional explanation of fees and costs

Management costs

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

Management costs include management fees, estimated performance fees (if applicable), investment expenses and custody fees. Management costs are deducted from the performance of the option (ie they are not charged directly to your account). They do not include contribution fees, transaction costs or additional service fees. The management costs for each option are either an estimate or based on current financial information. They are expressed as a percentage of each option's net assets and, together with any applicable transaction costs, are outlined in the tables on pages 8 to 9.

Management fees are the fees payable under the Constitution for the management of each option. Management fees are calculated from gross assets of the option. For details of the maximum management fees allowed under the Constitution see page 11.

Example of annual fees and costs for a balanced investment option

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

You may be entitled to management cost rebates which may reduce the amount of fees and costs of your investment. Please refer to page 12 under the heading 'Negotiation of fees' for further details.

Example		
The Colonial First State Diversified option		
Contribution fees	0% – 4%	Balance of \$50,000 with a contribution of \$5,000 during year For every additional \$5,000 you put in, you will be charged between \$0 and \$200.
Plus Management costs	1.90% pa	And , for every \$50,000 you have in the fund, you will be charged \$950 each year.
Equals Cost of fund		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you will be charged fees of from: \$950 to \$1,150 What it costs you will depend on the investment option you choose and the fees you negotiate with your fund or financial adviser.

These figures are inclusive of the net effect of GST. This does not take into account any entitlement to management cost rebates which may reduce the fees and costs of your investment. Please refer to page 12 under the heading 'Negotiation of fees' for further details.

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

Transaction costs also apply. Refer to pages 8 to 9.

Performance fees

In addition to the management fee, on some options a performance fee may also be payable. The performance fee is reflected in the daily unit price and paid monthly at the relevant performance rate (inclusive of the net effect of GST). The fee is calculated as a percentage rate of the relevant option's outperformance.

The option's outperformance is the percentage return above the relevant benchmark, as outlined below.

Please note: There is no standard that is applied to how performance fees are calculated. You should carefully compare the different performance fee types in the tables below, noting which benchmark they aim to outperform and whether performance fees are before or after management fees are charged.

For options where a performance fee applies, an estimate of the performance fees is included within the management cost for the option. This estimate is generally based on the actual performance fees paid from the option over the 12 months to 31 January 2009. For options which do not have 12 months of performance history (as at 31 January 2009) or for new investment options, we have assumed that the option has achieved performance in line with the relevant benchmark and therefore no performance fees would be payable.

The tables below show which options within this PDS are subject to performance fees.

Option	Benchmark	Management fee (pa)	Performance fee rate ¹
Performance fee after management fees			
Colonial First State Alpha Plus – Core	S&P/ASX 100 Accumulation Index	2.00%	15%
Colonial First State Enhanced Yield ²	Reserve Bank of Australia (RBA) cash rate	1.20%	20%
Generation Global Sustainability	MSCI World (ex-Australia) Net Index (AUD)	1.80%	20%
Lodestar Australian Absolute Return	UBS Australian Bank Bill Index	2.05%	20%
PM Capital Absolute Performance	Greater than 0%	1.80%	20%
PM Capital Australian Share	S&P/ASX 200 Accumulation Index	1.60%	25%
PM Capital Enhanced Yield ²	RBA cash rate	1.30%	25%
Souls Australian Small Companies	S&P/ASX Small Ordinaries Accumulation Index	1.70%	20%

¹ This rate is inclusive of the net effect of GST.

² The return on the option includes total income, inclusive of overseas withholding tax deducted at source and grossed up by the amounts of Australian franking credits.

Option	Benchmark	Management fee (pa)	Performance fee rate ¹
Performance fee before management fees			
Acadian Australian Equity Long Short	S&P/ASX 300 Accumulation Index	1.90%	15%
Acadian Global Equity Long Short	MSCI World Net Index (AUD)	2.10%	15%
Acadian Quant Yield ³	RBA cash rate	1.40%	20%
Ausbil Australian Emerging Leaders	Composite benchmark ⁴	1.90%	15%

Dollar fee example – performance fees (after management fees)

Assumptions for this example: 2.00% return before fees above the relevant benchmark, \$50,000 investment, performance fee rate of 25% and a management fee of 1.60% pa.

Fees calculation		Fee amount
Management cost: (excluding performance fee)	1.60% pa	\$800
Plus	0.10% pa	\$50
Estimated performance fee: 25% x (2.00% – 1.60%)		
Management cost (including performance fee)	1.70% pa	\$850 inclusive of the net effect of GST

Sometimes the calculation of the performance fee will result in a negative dollar amount (negative performance fee). This negative performance fee is offset against any entitlement to future performance fees. We do not have to reimburse the option for negative performance. In extreme circumstances (eg if the net outflow from the option is more than 10% in one month) the negative performance fee which is offset may be reduced pro rata with the percentage of net outflow.

It is also possible for the manager to exceed the relevant benchmark (and therefore be entitled to a performance fee) even where an option has had negative performance over a period, as that option may have performed better relative to the benchmark.

Colonial First State may keep some of the performance fee. For periods of high outperformance, the performance fee may be substantial. We recommend you discuss this with your financial adviser to understand the impact of the performance fee.

Increases or alterations to the fees

We may vary the management fees used to calculate the management costs set out on pages 8 to 9 at any time at our absolute discretion, without your consent, within the limits prescribed in each option's Constitution. If the variation is an increase in a fee or charge, we will give you 30 days advance written notice. The Constitution of each option provides for the following maximum fees:

- a maximum entry fee (referred to in this PDS as a contribution fee) of 5%
- a maximum exit fee (referred to in this PDS as a withdrawal fee) of 4%
- a maximum management fee of 3%
- a maximum switching fee of \$50 (CPI-adjusted from 30 June 2003) for each switch in excess of four per year.

For all other options with performance fees other than those listed in the table below, a maximum performance fee rate of 26.83% (inclusive of the net effect of GST) is provided for under the Constitution.

Option name	Maximum performance fee ⁵
Acadian Global Equity Long Short	25.00%
Acadian Australian Equity Long short	25.00%
Ausbil Australian Emerging Leaders	25.00%
Acadian Quant Yield	27.50%
Lodestar Australian Absolute Return	27.50%

Please note: The maximums are provided for information and are not the current fees charged. The current fees are shown on pages 8 to 9.

Additionally, you may choose to pay an adviser service fee.

Transaction costs

Transaction costs such as brokerage, government taxes/duties/levies, bank charges and account transaction charges are paid from each option. When you (or any person you have authorised) invest, switch or withdraw all or part of your investment, we use what is called a 'buy/sell' spread to recover transaction costs incurred. Because there are costs in buying and selling assets, we use the 'buy/sell' spread to direct these costs to investors transacting rather than other investors in the option. The 'buy/sell' spread that applies to each option is shown in the tables on pages 8 to 9. Please note that the 'buy/sell' spreads are not fees paid to us. They are paid to the option. They are, however, an additional cost to you. They may be altered at any time.

Where short-term settlement borrowing or borrowing for underlying funds occurs (including geared options), borrowing costs such as interest on borrowings, legal fees and other related costs are payable by those options.

Transaction costs example: If you make a \$50,000 investment in or withdrawal from the Colonial First State Diversified option, you will incur transaction costs of \$100.

Abnormal costs

Abnormal costs (such as costs of unitholder meetings, recovery and realisation of assets, changes to the Constitution and defending or pursuing legal proceedings) are paid out of the option. These costs are incurred fairly infrequently.

Other operating expenses

The Constitution for each option allows for the ongoing operating expenses (such as registry, audit, taxation advice and offer documents) to be paid directly from the option. Until further notice, Colonial First State will pay such amounts from our management fees, except where the expense relates to custody, audit or a particular transaction.

The Constitution does not place any limit on the amount of the ongoing operating expenses that can be paid from each option.

³ The return on the option includes total income grossed up by the amounts of Australian franking credits.

⁴ The composite benchmark consists of a weighting of 70% to the S&P/ASX Midcap 50 Accumulation Index and 30% to the S&P/ASX Small Ordinaries Accumulation Index.

⁵ All maximum performance fees in the table are inclusive of the net effect of GST.

3 Fees and other costs

Additional explanation of fees and costs

What is paid to your adviser?

The adviser recommending the investment product may receive payment ('remuneration') for the sale.

Your adviser's remuneration may include:

- a contribution fee; please refer to page 7 in the fees and costs table for further information
- an adviser trail included in the management costs; please refer to the table below and page 7 in the fees and costs table for further information
- an adviser service fee that you agree with your adviser. Please refer to 'Adviser service fee' for further details.

You may be entitled to lower fees or to negotiate a rebate with your adviser. Please refer to 'Negotiation of fees' for further details. The maximum adviser remuneration is as follows:

Investment option name	Contribution fee	Adviser trail	Adviser service fee
All options except Cash and deposit options	Up to 4.29%	Up to 0.60%	As agreed with your adviser.
Cash	Nil	Up to 0.60%	
FirstRate Saver and FirstRate Term Deposits		Up to 0.25%	

Dealer groups, IDPS operators and other licensees may receive remuneration from us for offering the fund on their investment menus or for the provision of services. This remuneration will generally be in the form of a Fund Manager Payment and may be up to 0.25% pa of funds invested. These amounts may be rebated or retained by the dealer group, IDPS operator or licensee. If these amounts are paid, they are paid by us and are not an extra amount paid from the fund nor are they a further amount you pay.

Any payments will be made in compliance with the IFSA Industry Code of Practice on Alternative Forms of Remuneration (Code). We keep a register of certain payments as required by the Code. Please contact us if you would like to view this register. Details of the adviser's remuneration will be in the Financial Services Guide and Statement of Advice which your adviser must give you.

FirstChoice Margin Lending commission

Your adviser may receive an additional FirstChoice Margin Lending commission of up to 0.40% pa (inclusive of GST) of your margin loan balance.

Dealer groups and other licensees may also receive remuneration from us of up to 0.20% pa of loan balances for offering the margin loan facility on their product menu.

If these amounts are paid, they are paid by us and are not a separate amount paid by you.

Negotiation of fees

Outlined below are the circumstances in which certain investors can negotiate or receive lower fees.

Contribution fees

You may be able to negotiate lower contribution fees. Please contact your adviser directly for details regarding negotiation of contribution fees.

If you do not have an adviser or unless your adviser agrees otherwise, the contribution fee defaults to the maximum shown in the fees and costs table on page 7.

Adviser service fee

You can agree with your financial adviser to have an adviser service fee for advice relating to your investment in FirstChoice Investments, including FirstRate Saver and FirstRate Term Deposits, paid directly from one of your investment options or margin loan (if applicable). The adviser service fee (including GST) will be paid to your current adviser or any subsequent adviser on your investment.

Please note: Paying an adviser service fee from a FirstRate Term Deposit will be treated as an early withdrawal and this will reduce your interest rate. Please refer to pages 19 to 24 for more details on the FirstRate Term Deposits investment options.

An **ongoing** fee can be charged as:

- a percentage of your account value, or
- a set dollar amount.

This ongoing fee will be deducted from one of your options on a monthly basis.

In addition, a **one-off** fee can also be charged as:

- a set dollar amount.

This one-off fee will be deducted from one of your options at the end of the month.

Colonial First State may at its discretion refuse to deduct an adviser service fee. Please contact your adviser directly regarding the negotiation of the adviser service fee.

Management cost rebates

You may be entitled to a rebate of part of the management costs on investment options other than FirstRate Saver and FirstRate Term Deposits.

Management cost rebates are calculated and paid before income tax. You may be assessable for income tax on the rebate amount so you should ensure that this amount is included in your annual tax return. You should speak to your financial adviser or accountant for more information.

Management cost rebates are calculated monthly using your account balances and rebate rate that applied on the last day of the month. If you close your account, your redemption will only include a rebate calculated to the end of month prior to the redemption. Management cost rebates will be credited to your account in the form of additional units as follows:

Management cost rebates	Frequency of payment
Adviser trail rebate	Monthly
Portfolio rebate	Six-monthly in September and March

Unless you nominate a particular investment option, the management cost rebates will be paid to your investment options as outlined on page 43.

Adviser trail rebates

For options except FirstRate Saver and FirstRate Term Deposits, the adviser trail is part of the management costs included in the unit prices of your investments and is not an additional cost to you.

If you do not have an adviser or unless your adviser agrees otherwise, the full management cost will apply, including the adviser trail amount shown under the heading 'What is paid to your adviser?'. You may be able to negotiate a rebate of all or part of this adviser trail with your adviser. An adviser trail rebate will reduce the total fees and costs that apply to your investment.

Please note: FirstRate Saver and FirstRate Term Deposits adviser trail rebates are not yet available as at the date of this PDS. However, they may become available during the life of this PDS. When this facility is available, we will place a notice on our website. For these products, adviser trail rebate payments increase the effective interest earned.

Your adviser may change the level of your adviser trail rebate at any time up to the maximum adviser trail included in the management costs. We will inform you of any changes to the calculation of your adviser trail rebate. Please contact your adviser directly for details regarding negotiation of an adviser trail rebate.

Portfolio rebate

You may be entitled to a portfolio rebate depending on the size of your portfolio invested in eligible FirstChoice products. Eligible FirstChoice products included in the calculation of your portfolio rebate are:

- FirstChoice Investments
- FirstChoice Personal Super
- FirstChoice Pension, and
- FirstChoice Employer Super.

Investments in the FirstChoice Wholesale range of products are not eligible for the portfolio rebate. Additionally, although your investments in FirstChoice Employer Super and the Colonial First State Cash, FirstRate Saver and FirstRate Term Deposits investment options in any of the eligible FirstChoice products count towards whether you are eligible for the portfolio rebate, no rebate is payable on those amounts.

Accounts held under the same Online Identity Number (OIN) will automatically be eligible and will be counted towards your portfolio rebate. If you have more than one OIN, please contact us to ensure that your portfolio rebate is calculated correctly. You can also nominate investments held in joint names or as trustee for a trust or superannuation fund to be included in your portfolio rebate. We do not allow the linking of nominee company accounts.

If you have more than one eligible FirstChoice product, the portfolio rebate will be paid to each eligible product in the proportion of your total portfolio.

The following table details the level of portfolio rebate you may be entitled to:

Value of eligible FirstChoice products and investment options	Portfolio rebate (pa)
First \$400,000	Nil
Next \$600,000	0.20%
Over \$1,000,000	0.40%

Example calculation: A FirstChoice Investments investor has the following investments:

→ Colonial First State Cash	\$400,000
→ FirstChoice Growth	\$400,000
→ FirstChoice Australian Small Companies	\$400,000
→ TOTAL PORTFOLIO	\$1,200,000

Portfolio balance	Rate	Management fee rebate
First \$400,000	\$400,000 X 0.00%	\$0
Next \$600,000	\$600,000 X 0.20%	\$1,200
Over \$1,000,000	\$200,000 X 0.40%	\$800
TOTAL		\$2,000

We may change the portfolio rebate level or eligibility criteria at any time. If you require any clarification, please refer to our website, colonialfirststate.com.au, contact Investor Services on 13 13 36 or speak to your financial adviser.

Tax implications

Please note that this portfolio rebate will have income tax and may have GST implications. Please discuss this with your financial adviser.

Differential fees

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

Taxation

Please refer to page 35 for further details.

Expenses

Where any expenses are tax deductible, the benefit is already reflected in the distributions made to you.

4 Account management

Establishing and transacting on your account

Whether you prefer the internet, telephone, email or fax, managing your investment is easy.

To make it easy for you to keep up-to-date and transact on your investment, we provide you with a number of transaction options:



Internet

colonialfirststate.com.au



Email

contactus@colonialfirststate.com.au



Direct credit and BPAY®



Telephone and internet banking – BPAY®

Call your bank, credit union or building society to make this payment from your cheque, savings or credit card account. More info: www.bpay.com.au



Telephone

13 13 36 (toll free)



Fax

(02) 9303 3200



Mail

Colonial First State, Reply Paid 27, Sydney NSW 2001

The easiest way to monitor and transact on your account is by using our secure internet service, FirstNet. Managing your investments through FirstNet means your transaction is processed immediately. You can access FirstNet by visiting our website.

The table below provides you with information on how to set up and transact on your account and the options available to you. For further information on how your transactions are processed, please refer to page 33. We recommend you contact your financial adviser to discuss your needs before any transaction.

How do I...	Information I need to know ¹	Transaction options	Things to be aware of
Set up an account?	<p>A minimum investment of \$5,000 is required to establish an account in FirstChoice Investments. A \$1,000 minimum initial balance is required if a regular investment plan is set up on commencement of an account, in order to bring the balance up to \$5,000.</p> <p>A minimum account balance of \$1,000 applies.</p> <p>Applications received on a NSW business day prior to 3pm (Sydney time) will be processed using that day's unit price.</p>		<p>Complete the application form on page 45 of this document and send it to us. Alternatively, you can complete the online application and send it to us.</p> <p>We will require information to establish your identity. In certain circumstances, your application may be delayed or we may be unable to process your application to set up an account (see page 36 regarding anti-money laundering laws for further information).</p>
Make regular investments from my bank account?²	<p>A minimum amount of \$100 applies. Funds are drawn from your bank account on the first business day after the 19th of each month.</p> <p>You can choose to have your regular investment automatically increased each year by a percentage based on the Consumer Price Index (or 3%, whichever is the greater)³. Please nominate this on the application form.</p> <p>Please inform us how you would like your regular investment plan to be allocated to each option or we will allocate as per your previous transaction.</p>		<p>To use any of these options you must have previously provided a direct debit authorisation to allow us to draw from your Australian financial institution account.</p> <p>Please obtain a regular investment form from our website or call us on 13 13 36.</p> <p>You cannot make automatic regular investments to FirstRate Term Deposits. Refer to section 5 – FirstRate Saver and FirstRate Term Deposits for more information.</p>

¹ Registered to BPAY Pty Ltd ABN 69 079 137 518.

1 A completed request (which includes a correctly completed form, together with any material we may ask for to establish your identity), received in our office on a New South Wales (NSW) business day prior to 3pm (Sydney time), will be processed as at the date of receipt of the completed request. Funds will be debited from your nominated account on the day we process your completed request.





2 Unless an option is suspended or restricted, regular investments are accepted in accordance with the PDS current at the time of the relevant investment. A copy of the current PDS is available free of charge on request. We may terminate this facility if the direct debit fails three times in any 12-month period. Please note that any changes to this facility must be received prior to the last business day prior to the 19th of the month for the change to take effect for that month.

3 We will notify you in writing prior to the increase in August each year. If you opened your account between February and August, the first increase will happen in August of the following year.

How do I...	Information I need to know ¹	Transaction options	Things to be aware of
<p>Make additional investments to my account?</p>	<p>No minimum amount applies.</p> <p>Additional investments will attract the same contribution fee as your previous investment unless we receive a valid instruction to the contrary.</p> <p>Please inform us how you would like your additional investment to be allocated.</p> <p>If you do not instruct us, we will allocate your additional investment in line with your most recent transaction, excluding any allocation to FirstRate Term Deposits and regular investment plans. If your most recent transaction was a:</p> <ul style="list-style-type: none"> → deposit, we will invest as per your previous deposit → switch, we will invest in line with the investment weightings as a result of this switch → withdrawal that closed one or more options, we will invest in line with the investment weightings as a result of this withdrawal. <p>In extraordinary circumstances where an option is suspended or restricted, additional investments may not be processed or not be processed without a significant delay.</p>	<p>EFT Individual Direct Credit</p> <p>BPAY</p> <p>Telephone and internet banking</p> <p>Call your bank, credit union or building society to make this payment from your cheque, savings or credit card account. More info: www.bpay.com.au</p> 	<p>If you wish to make additional investments using direct credit from your bank account, please refer to the details below.</p> <p>BSB: 062-778</p> <p>Account number: Last 9 digits of your FirstChoice account number</p> <p>Account name: First name Surname</p> <p>Please note: Over the counter branch deposits cannot be accepted.</p> <p>Refer to your Australian financial institution for payment of funds. You will need to quote:</p> <div style="background-color: #2c4e64; color: white; padding: 5px;"> <p>Biller code: 414409 Reference number: 1 + account no.</p> </div> <p>To use these options you will have previously supplied a direct debit authorisation to allow us to draw from your Australian financial institution account.</p> <p>Please complete an additional and regular investment form or letter, accompanied by a cheque made payable to 'Colonial First State – FirstChoice Investments, <Investor name>' or the direct debit authority on page 75.</p>
<p>Switch between options?</p>	<p>No minimum amount applies.</p> <p>Switching may have tax implications (refer to page 35).</p> <p>Switch requests received on a NSW business day prior to 3pm (Sydney time) will be processed at that day's unit prices.</p> <p>In extraordinary circumstances where an option is suspended or restricted, switches may not be processed or not be processed without a significant delay.</p>		<p>If not transacting online, please provide us with a completed switch form from our website or by calling us on 13 13 36. Alternatively, provide us with a written request.</p> <p>Please ensure you have read a current PDS before making your switch.</p> <p>Switches that withdraw from FirstRate Term Deposits incur early withdrawal interest adjustments. Refer to section 5 – FirstRate Saver and FirstRate Term Deposits for more information.</p>
<p>Automatically rebalance my investment options?</p>	<p>The auto-rebalancing facility allows you to rebalance the percentage amounts across each of your options, back in line with your preferred investment strategy. See page 34 for more details.</p> <p>You can choose to rebalance your portfolio either:</p> <ul style="list-style-type: none"> → quarterly (on the first business day after 14 February, 14 May, 14 August and 14 November), or → annually (on the first business day after 14 May each year). <p>Please note: This facility is not available if you have an investment in FirstRate Term Deposits. Refer to section 5 – FirstRate Saver and FirstRate Term Deposits for more information.</p>		<p>Any auto-rebalancing request will rebalance the investment weightings for your entire account balance.</p> <p>Once established, if you request a transaction that is not in line with your investment weightings, this will cancel auto-rebalancing.</p> <p>Your account will be auto-rebalanced on the day of receiving your request to do any of the following:</p> <ul style="list-style-type: none"> → establish auto-rebalancing → change the investment weightings that apply to your auto-rebalancing → re-establish auto-rebalancing after the facility has been cancelled.

4 Account management

Establishing and transacting on your account

How do I...	Information I need to know ¹	Transaction options	Things to be aware of
Make a withdrawal?	<p>No minimum amount applies, subject to minimum account balance requirements.</p> <p>Withdrawals can be paid to your previously nominated bank account or by cheque.</p> <p>Withdrawal requests received on a NSW business day prior to 3pm (Sydney time) will be processed using that day's unit price and in normal circumstances generally paid within seven working days.</p> <p>In extraordinary circumstances, withdrawals could be suspended or restricted. See page 33 for further details.</p>		<p>Please provide us with a written request or a completed withdrawal form from our website or by calling 13 13 36.</p> <p>Bank details are to be provided on an original signed request. Payments can only be made to an Australian financial institution.</p> <p>Withdrawals from FirstRate Term Deposits incur early withdrawal interest adjustments. Refer to section 5 – FirstRate Saver and FirstRate Term Deposits for more information.</p>
Make regular withdrawals?	<p>A minimum withdrawal amount of \$100 applies, subject to minimum account balance requirements.</p> <p>You can choose to withdraw either:</p> <ul style="list-style-type: none"> → monthly, or → quarterly in March, June, September and December. <p>Funds are drawn from your investment on the last business day prior to the 21st of each month or quarter and paid to your nominated bank account.</p> <p>Your regular withdrawal plan will be cancelled if the withdrawal will reduce the balance of any option you are withdrawing from to zero.</p> <p>You cannot make automatic regular withdrawals from FirstRate Term Deposits. Refer to section 5 – FirstRate Saver and FirstRate Term Deposits for more information.</p>		<p>Please obtain a regular withdrawal form from our website or by calling 13 13 36.</p> <p>Please note that aspects of the regular withdrawal plan need careful consideration, particularly in an option that is subject to volatility.</p> <p>If an option is suspended, restricted or terminated, your regular withdrawal plan from this option will stop. Your regular withdrawal plan will, however, be paid from the next investment option available, according to a default order. This generally starts from your most conservative option.</p>
Cancel a request?	<p>Please provide us with a written request on or before the day of the receipt of the original request by the cut-off times shown on page 33.</p>		<p>Please note that a written request will also be required subsequent to your telephone advice.</p>
Change my personal details?	<p>Please contact us and advise your change.</p>		<p>Certain types of changes will require a written request, accompanied by certified documentation.</p>
Appoint an adviser to transact online on my behalf?	<p>By appointing an adviser to transact on your behalf you are giving that adviser, and any person acting on behalf of that adviser, authority to transact on your account(s) online.</p>		<p>You can choose multiple accounts on which your adviser can transact.</p> <p>Please complete the Adviser Online Transaction Authority on page 77 to allow your adviser to transact on your account(s) online.</p> <p>In certain circumstances, we may need to establish the identity of the adviser before they can transact on your account(s) online (see page 36 regarding anti-money laundering laws for further information).</p>

¹ A completed request (which includes a correctly completed form, together with any material we may ask for to establish your identity), received in our office on a New South Wales (NSW) business day prior to 3pm (Sydney time), will be processed as at the date of receipt of the completed request. Funds will be debited from your nominated account on the day we process your completed request.

Accessing information on your account

Up-to-date information on your investment is easily accessible

After you invest, we will ensure you are kept informed about your investment by sending you the following information. For each type of communication, you can elect on the application form whether to receive it by email or mail².

When you transact on your account

A confirmation for each investment, switch, withdrawal, repayment or drawdown of margin loan (excluding those via the regular investment plan).

Half-yearly/Quarterly

A statement showing your transactions and the value of your investment at the end of June and December each year.

If you have FirstRate Saver, FirstRate Term Deposits and/or FirstChoice Margin Lending, you will receive a consolidated statement including all your investment transactions. If you have FirstChoice Margin Lending, you will receive your statements quarterly.

Yearly

A tax statement containing a summary of your interest, distributions and tax components including any deductions for margin loan interest for the year ended 30 June, to assist you in preparing your tax return.

Periodically

Educational and promotional material may be sent from time to time which provides you with information on general investing, superannuation and our products (you can elect not to receive this material by writing to us, or indicating on the application form).

Annual financial reports

An annual financial report detailing the financial position and performance of each fund over the last financial year will be made available on our website, colonialfirststate.com.au/annual-reports, by 30 September each year. If you would prefer to have a copy emailed or mailed to you free of charge, please contact us.

Where can you obtain the latest information about FirstChoice?

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

To obtain this information, you can:

- visit our internet site at colonialfirststate.com.au
- phone Investor Services on 13 13 36 for the cost of a local call within Australia.

A paper copy of the most recent information will be sent to you free of charge on request.

How do you access information on your investment?

To find out current information and/or manage your investment, you can:

- **Use FirstNet to access your investment easily – online at colonialfirststate.com.au**

An Online Identity Number (OIN) and Personal Identification Number (PIN) for access to FirstNet will be sent to you shortly after your investment is received (you can elect not to receive this on the application form).

FirstNet Investor is our secure internet service which provides you with personalised information about your investments as well as the ability to make changes to your account and transact online.

With FirstNet Investor, you can:

- access your account balance and transaction history
- make additional investments (if applicable)
- set up regular investment plans (if applicable)
- manage your term deposit maturity instructions
- buy, sell and switch your investment
- open a new account online
- update some of your personal details
- change your PIN
- view tax and distribution information (if applicable)
- manage your FirstChoice margin loan (if applicable).

Call Investor Services and request a copy of 'Access your account anytime – 24/7'.





- **Use FirstLink, our automated telephone service**

To access your information by phone, 24 hours a day, seven days a week.

- **Call Investor Services on 13 13 36**

You can speak to an Investor Services representative Monday to Friday, 8am to 7pm (Sydney time).

- **Email us at contactus@colonialfirststate.com.au**

	 FirstNet ³	 FirstLink ⁴	 Investor Services	 Email
General enquiries				
Product information	✓	✗	✓	✓
Performance figures	✓	✓	✓	✓
FirstRate Saver/ FirstRate Term Deposits interest rates	✓	✗	✓	✓
Unit prices	✓	✓	✓	✓
Annual financial reports	✓	✗	✓	✓
Account enquiries				
Portfolio information	✓	✓	✓	✓
Details of account facilities	✓	✗	✓	✓
Transaction history (including recent transactions and statements)	✓	✓	✓	✓

² From time to time we may still need to send you letters in the post. You can vary your nominated email address or change your communication preferences, at any time, either via FirstNet, by writing to us or by contacting Investor Services on 13 13 36.

³ To enquire and transact you will need to be registered and log in using your OIN and PIN. Transaction access is automatically given to investors (unless you elect not to receive this on the application form). You will be required to provide us with an Australian financial institution account to enable the transaction facility.

⁴ If your account includes FirstRate Saver and/or FirstRate Term Deposits, FirstLink account enquiries are not available.

4 Account management

Receiving income

Any income that you receive from your investments, other than FirstRate Saver and FirstRate Term Deposits, will be in the form of distributions. Your distribution may include income such as interest, dividends and realised capital gains.

FirstRate Saver and FirstRate Term Deposits will pay interest only. The payment of interest credited will follow the distribution choices you make on your FirstChoice Investments account. Refer to section 5 – FirstRate Saver and FirstRate Term Deposits for information about these products.

Distributions are based on the number of units you hold in a particular option, in proportion to the number of units held by all unitholders, at the distribution date. Distributions are not pro-rated for investors who were not unitholders for the whole period. The type of income you receive depends on the asset classes in which each option invests.

Option	Distribution frequency ¹
Multi-sector	Quarterly (S, D, M, J)
Cash	Monthly
FirstRate Saver and FirstRate Term Deposits	Refer to section 5
Fixed Interest ²	Quarterly (S, D, M, J)
Enhanced Yield	Quarterly (S, D, M, J)
Property and Infrastructure Securities	Quarterly (S, D, M, J)
Global Property and Infrastructure Securities	Half-yearly (D, J)
Australian Share ³	Quarterly (S, D, M, J)
Australian Share – Boutique ⁴	Quarterly (S, D, M, J)
Australian Share – Small Companies ⁵	Half-yearly (D, J)
Global Share	Half-yearly (D, J)
Global Share – Specialist	Half-yearly (D, J)
Australian Share – Geared	Quarterly (S, D, M, J)
Global Share – Geared	Half-yearly (D, J)

Distributions are calculated on 30 June, and generally the last Sunday of the month they fall due, and are normally paid within 14 days. The dates on which distributions are calculated are available online or by calling Investor Services on 13 13 36. In some circumstances, we may vary the distribution timing and frequency without notice to investors.

What are your distribution choices?

You can choose to have your distributions:

- automatically reinvested, with no contribution fee or transaction costs payable. The additional units are purchased using the net asset value per unit applicable immediately after the distribution, or
- directly credited to your Colonial First State Premier CMT, Colonial First State Cash Management Trust, or Australian financial institution account.

Please nominate your choice on your application form. Your nominated distribution method will apply to all the options in which you invest. If you do not make a choice, then your distributions will be automatically reinvested.

In extraordinary circumstances, where an option is suspended or restricted, we may not permit some or all of the income distributions to be reinvested.

What happens if you invest just before a distribution?

Please note that the unit price of a particular option will fall by the amount of any distribution (per option) immediately after the distribution is paid.

If you invest just prior to a distribution, then that distribution effectively represents a return of your investment.

Depending on your circumstances, this may have certain taxation implications and we recommend that you speak with a financial adviser or tax adviser to determine your own situation. Distribution dates should be checked prior to transacting on your account.

1 (S) September, (D) December, (M) March, (J) June.

2 The Colonial First State Global Credit Income option distributes income monthly.

3 The Colonial First State Australian Share – Core option distributes income half-yearly.

4 The Acadian Australian Equity Long Short option distributes income half-yearly.

5 The Colonial First State Future Leaders option distributes income quarterly.

This section contains information about and terms and conditions for FirstRate Saver and FirstRate Term Deposits. FirstRate Term Deposits will be available from 13 July 2009.¹

What are FirstRate Saver and FirstRate Term Deposits?

FirstRate Saver can provide you with an easy to use, low risk deposit account with a competitive variable interest rate.

FirstRate Term Deposits provide the certainty of an interest rate, fixed until the maturity date, with a choice of 3, 6, 9 or 12 month investment term options.

Who are the parties involved?

FirstRate Saver and FirstRate Term Deposits are deposit products of Commonwealth Bank of Australia ('the Bank'), one of Australia's leading financial institutions. When you or a person you authorise makes or requests a deposit to FirstRate Saver or FirstRate Term Deposits, you enter into an agreement with the Bank on the terms and conditions set out on pages 22 to 24.

The Bank has appointed Colonial First State Investments Limited to collect information, administer and otherwise deal with matters relating to FirstRate Saver and FirstRate Term Deposits.

How do I establish and operate FirstRate Saver and FirstRate Term Deposits?

FirstRate Saver and FirstRate Term Deposits work together with your FirstChoice Investments account. This provides you and your financial adviser the convenience and ease of establishing and managing the different investments in your portfolio in the one place.

Benefits of FirstRate Saver and FirstRate Term Deposits

- No fees
There are no transaction or account keeping fees.
- Peace of mind
Knowing at the time what interest you will earn and that your money is on deposit with a leading Australian bank.
- Easy set-up
Simply use the same application form as FirstChoice Investments.
- Ask us once
You can transact on FirstRate Saver and FirstRate Term Deposits at the same time as your other FirstChoice investments.
- Your investments at a glance
One consolidated and easy to understand statement and you can view your account through the FirstNet secure online service.
- Switch with ease
Move your money between the FirstRate deposit products and other FirstChoice Investments options with ease.

At a glance	
Who can apply?	FirstRate Saver and FirstRate Term Deposits are available with a new or existing FirstChoice Investments account (including joint account holders).
Features	<p>FirstRate Saver</p> <ul style="list-style-type: none"> → Competitive variable interest rate → Interest calculated on your account balance daily and paid effective on the last calendar day of each month <p>FirstRate Term Deposits</p> <ul style="list-style-type: none"> → Competitive interest rates, fixed until the maturity date of the term deposit → Interest calculated daily and paid effective on the maturity date
Fees	No transaction or account keeping fees on FirstRate Saver or FirstRate Term Deposits.
Minimum balance	No minimum balance is required to be held in FirstRate Saver or FirstRate Term Deposits. You must maintain the FirstChoice Investments minimum account balance. FirstRate Saver and FirstRate Term Deposit balances count toward this minimum.
Interest rate	Current interest rates are available at colonialfirststate.com.au or by contacting us on 13 13 36.
Access information	View and transact 24/7 through FirstNet, Colonial First State's secure online service. Or contact us on 13 13 36 (8am to 7pm Monday to Friday (Sydney time)) or contact your financial planner.

¹ If we receive an application to invest in FirstRate Term Deposits when it is not available, we will deposit your investment in FirstRate Saver and notify you. If you would like these funds to be switched to FirstRate Term Deposits (when it becomes available) or any other investment option, you will need to provide us with separate instructions.

5 FirstRate Saver and FirstRate Term Deposits

Important information about FirstRate Term Deposits – available from 13 July 2009¹

How do I invest?	<p>Investing in FirstRate Term Deposits can be done by selecting any of the 3, 6, 9 or 12 month investment term options in your FirstChoice Investments investment allocation.</p> <p>Note: Special conditions apply when establishing a new FirstRate Term Deposit between 1 July and 9 July. If we receive funds for a FirstRate Term Deposit during this time, we will deposit your investment in FirstRate Saver until the NSW business day following 9 July.</p>
Risks of investing in FirstRate Term Deposits	<p>FirstRate Term Deposits are considered to be a relatively low risk product offered by Commonwealth Bank of Australia. Specific risks that apply to FirstRate Term Deposits are listed below:</p> <p>Market risk – FirstRate Term Deposits provide a fixed interest rate. This means you are protected from decreases in interest rates during the term of your investment. However, you may not be able to take advantage of interest rate increases should interest rates rise during the term of your investment.</p> <p>Early withdrawal risk – Should you need to withdraw or switch out from FirstRate Term Deposits prior to the maturity date, the interest rate applying on the amount withdrawn is reduced.</p>
When is the maturity date?	<p>The maturity date is calculated from the date of your deposit in FirstRate Term Deposits plus your investment term (in months). If the maturity date falls on a weekend or public holiday in NSW, the maturity date will be the next NSW business day.</p> <p>Note: Special rules apply if the maturity date would fall on a date between 1 July and 9 July, in which case the maturity date will be set to the NSW business day following 9 July.</p>
Making additional investments	<p>When you make an additional investment into a FirstRate Term Deposit with the same investment term option, this will create multiple individual FirstRate Term Deposits, each with its own interest rate and maturity date.</p>
How is interest calculated?	<p>Interest is calculated daily on your FirstRate Term Deposit using the simple interest formula:</p> $\text{Interest} = \text{Deposit amount} \times \text{Interest rate (pa)} \times (\text{Term in days}/365)$ <p>'Term in days' is calculated including the date you start your term deposit and exclusive of the maturity day.</p>
What happens to my FirstRate Term Deposit at maturity?	<p>You can instruct us where you would like to invest the proceeds from your matured FirstRate Term Deposit, using one of the following options:</p> <ul style="list-style-type: none"> → a new FirstRate Term Deposit for the same investment term → a new FirstRate Term Deposit for a different investment term → FirstRate Saver → your FirstChoice Investments future investment selection. <p>If we don't receive an instruction prior to the maturity date, the proceeds are invested into a new FirstRate Term Deposit for the same investment term. New FirstRate Term Deposits will receive the interest rate applicable at the time they are established. This may vary significantly from the interest rate that applied to the matured term deposits.</p>
Withdrawing prior to maturity (early withdrawals)	<p>The fixed interest rate on FirstRate Term Deposits is based on you investing the funds until the maturity date. If you need to withdraw before the maturity date, the interest you receive will be reduced. Refer to 'Early withdrawal interest adjustments' on page 21.</p> <p>You can withdraw from your FirstRate Term Deposits by withdrawing from or switching within your FirstChoice Investments portfolio and specifying the proceeds to be transferred from any of the FirstRate Term Deposits investment options.</p>
Using FirstRate Term Deposits with your FirstChoice account	<p>Due to the fixed investment term that applies for FirstRate Term Deposits, there are some tools that FirstChoice normally provides you and your adviser to manage your portfolio that will be restricted when you invest in FirstRate Term Deposits. This is primarily to help you manage your term deposits and avoid early withdrawals.</p> <ul style="list-style-type: none"> → Future investment selection, regular investment plan, regular withdrawal plan – where you nominate an allocation for your regular investment plan, regular withdrawal plan or BPA, EFT or other uninstructed additional investments, you will not be able to select FirstRate Term Deposits. <p>Where your future investment selection is updated following a transaction that you request, any allocation that would have applied to FirstRate Term Deposits will be applied proportionally across any other investment options in your future investment selection.</p> <ul style="list-style-type: none"> → Automatic rebalancing – you will not be able to use this facility if you hold FirstRate Term Deposits in your FirstChoice account. If you make an investment in FirstRate Term Deposits, we will cancel any existing auto-rebalancing facility. → Other automated transactions – we recommend you do not nominate FirstRate Term Deposits for deduction of any adviser service fees, as that will create early withdrawals. At the time that any rebates are credited, if you only hold FirstRate Term Deposits, rebates will be credited to FirstRate Saver.

¹ If we receive an application to invest in FirstRate Term Deposits when it is not available, we will deposit your investment in FirstRate Saver and notify you. If you would like these funds to be switched to FirstRate Term Deposits (when it becomes available) or any other investment option, you will need to provide us with separate instructions.

Early withdrawal interest adjustments

When you invest in FirstRate Term Deposits, the fixed interest rate is based on the funds being invested until the maturity date. If you make any early withdrawals from your deposit, the rate of interest on the amount that you withdraw is reduced.

The reduction in the interest rate will depend on the percentage of the original term elapsed when your withdrawal is made as outlined in the table below.

% of the investment term elapsed	% of the interest rate that applies
0% to less than 20%	10%
20% to less than 40%	20%
40% to less than 60%	40%
60% to less than 80%	60%
80% to less than 100%	80%

Example 1 – full withdrawal²:

You deposit \$10,000 in FirstRate Term Deposits with a 12-month investment term. The fixed interest rate is 5% pa. Assuming you hold the full deposit to maturity, the interest payable is \$500 (\$10,000 x 5%).

After six months or 50% of the investment term has elapsed, the interest accrued is \$250 (\$500 x 50%). If you withdraw at this time, the interest rate that will apply will be 40% of the original interest rate or 2% (40% x 5%).

The interest paid with your full withdrawal proceeds is \$100 (\$10,000 x 2% x 50%).

Example 2 – partial withdrawal²:

Instead of withdrawing the full balance as in example 1, you make a partial withdrawal of \$6,000.

The interest rate that will apply on the \$6,000 that you have withdrawn will again be 40% of the original interest rate or 2% (40% x 5%). Therefore, the interest payable on this \$6,000 is \$60 (\$6,000 x 2% x 50%).

The \$4,000 remaining in the deposit will receive the original 5% interest rate (assuming there are no other withdrawals made). The interest payable on this amount is \$200 (\$4,000 x 5%).

Therefore, in this example, at maturity, your total interest received would be \$260.

Early withdrawals across multiple FirstRate Term Deposits

If you hold multiple FirstRate Term Deposits in the same investment term option and withdraw part of the option balance, you can specify in writing, or by contacting us on 13 13 36, how you would like the withdrawal applied across each individual term deposit.

The table and examples below explain the order that will apply to any switch transaction or a withdrawal when you have not provided a specific instruction.

If the withdrawal amount is:	Rule applied
Less than the balance of the next term deposit to mature	100% from the next term deposit to mature
Greater than or equal to the next term deposit to mature	Deducted from all term deposits in a proportional weighting.

Example²:

You have a total of \$15,000 invested in FirstRate Term Deposits – 3-month terms. The total is made up of two term deposits as detailed below:

Term deposit no.	Maturity date	Amount
1	10 August	\$ 10,000.00
2	5 September	\$ 5,000.00
TOTAL		\$15,000.00

If you were to partially withdraw:

- \$9,000, the full \$9,000 will be deducted from the term deposit maturing in August
- \$12,000, the proceeds will be deducted from both term deposits proportionally (\$12,000/\$15,000 = 80%). Therefore, the withdrawal will be processed as follows:

Term deposit no.	Balance prior to withdrawal	% to be withdrawn	Amount to be withdrawn
1	\$10,000.00	80%	\$8,000.00
2	\$5,000.00	80%	\$4,000.00
TOTAL	\$15,000.00	80%	\$12,000.00

² Examples are for illustrative purposes only.

5 FirstRate Saver and FirstRate Term Deposits

FirstRate Saver and FirstRate Term Deposits terms and conditions

Terms and conditions for FirstRate Saver and FirstRate Term Deposits are set out below and are in two parts:

Part 1 – Your agreement with the Bank (Deposit Agreement).

Part 2 – Your authorisation to CFS.

When you, or a person you authorise, requests to set up FirstRate Saver or FirstRate Term Deposits, you declare that you have read and are bound by the terms and conditions of each of the agreements and authorisations contained in Parts 1 and 2.

In Part 1, ‘the Bank’, ‘we’, ‘our’ or ‘us’ refers to Commonwealth Bank of Australia ABN 48 123 123 124 AFSL 234945. ‘CFS’ refers to Colonial First State Investments Limited ABN 98 002 348 352.

In Parts 1 and 2, ‘you’ or ‘your’ means the person or persons or entity in whose name FirstRate Saver or FirstRate Term Deposits are held, and, where the context permits, includes any person you authorise to give instructions on your behalf.

Any of the terms and conditions in Parts 1 and 2 which cancel, limit or modify our liability to you, do so only to the maximum extent permissible by law. These terms and conditions do not exclude or modify those of your rights which cannot be excluded or modified under legislation applying to that account.

Part 1 – Your agreement with the Bank (Deposit Agreement)

The relevant provisions of the Code of Banking Practice apply to FirstRate Saver and FirstRate Term Deposits if held by an individual, either alone or jointly with another individual, or by a small business. A booklet called the ‘Better banking book’, which may be obtained by contacting CFS, contains useful information on a range of banking matters including the rights and obligations that arise out of the banker and customer relationship, account opening procedures, our obligations regarding confidentiality of your information, our complaint handling procedures, the importance of you informing us promptly when you are in financial difficulty and the advisability of you reading the terms and conditions applying to the banking service provided to you. The ‘Better banking book’ is also available on our website, commbank.com.au

1. Role of CFS

1.1 CFS will administer FirstRate Saver and FirstRate Term Deposits on our behalf including collection of information, provision of statements of account and handling questions and complaints. You must address any issues you have with FirstRate Saver and FirstRate Term Deposits directly with CFS.

2. Eligibility, account opening procedures and joint accounts

2.1 To be eligible for either FirstRate Saver or FirstRate Term Deposits and allow

deposits to and withdrawals from your FirstRate Saver or FirstRate Term Deposits you must also hold in the same name a FirstChoice Investments account.

New investors must complete and sign the application form on pages 45 to 58 of the FirstChoice Investments PDS and otherwise meet the conditions set out in the FirstChoice Investments PDS to establish and maintain a FirstChoice Investments account.

2.2 If you open a joint account, CFS will accept instructions from either one of you. We are not obliged to enquire into the circumstances of any instructions you give in relation to the conduct of your joint FirstRate Saver or FirstRate Term Deposits. We are not liable for any loss or damage you or anyone else suffers due to us acting on those instructions in good faith, unless it is proved that we were negligent. If one of you dies, the balance of FirstRate Saver or FirstRate Term Deposits is transferred to the survivor(s).

3. Making deposits

3.1 CFS will, on behalf of the Bank, establish FirstRate Saver or FirstRate Term Deposits in your name and deposit money on your behalf when:

- (i) you are eligible under 2.1, and
- (ii) you provide CFS with a request to deposit funds to FirstRate Saver or FirstRate Term Deposits.

3.2 You can only make deposits by instructing CFS to transfer money through your FirstChoice Investments account. Your instruction to CFS must be made through an investment allocation instruction in the same form as that relating to other investment allocations for your FirstChoice Investments account.

3.3 You are not permitted to make deposits to FirstRate Saver or FirstRate Term Deposits in any other way other than as set out in 3.2 above. In particular, you are not permitted to make deposits (cash or cheques) at any branch of the Bank, through the Bank’s ATMs or at agencies of the Bank.

3.4 If you have an existing FirstChoice margin loan in relation to a FirstChoice Investments account, deposits in FirstRate Saver and FirstRate Term Deposits will be collateral for your margin loan and be secured property as described in the FirstChoice Margin Lending terms and conditions.

3.5 The effective date of your deposit will be the date the instruction is received by CFS subject to the transaction processing and cut-off times that apply to applications and switch requests in section 4 – Account management of the FirstChoice Investments PDS.

4. Making withdrawals

4.1 You can make a withdrawal by directing CFS to transfer money from FirstRate Saver or FirstRate Term Deposits to your FirstChoice Investments account by way of direct debit.

4.2 You provide CFS a direct debit authority to authorise such transfers (see Part 2 – Your authorisation to CFS of the FirstRate Saver and FirstRate Term Deposits terms and conditions).

4.3 You cannot make withdrawals in any way other than as specified in 4.1. In particular, you cannot make withdrawals at any Bank branch, through the Bank’s ATMs or at agencies of the Bank; or by electronic transfer or direct debit (other than CFS transferring money to your FirstChoice Investments account).

4.4 A hold will be placed on your FirstRate Saver or FirstRate Term Deposits when your FirstChoice Investments account is being used as secured property for FirstChoice Margin Lending.

4.5 Effective date of withdrawals from FirstRate Saver or FirstRate Term Deposits will be the date the instruction is received by CFS and is subject to the transaction processing and cut-off times that apply to withdrawal and switch requests in section 4 – Account management of the FirstChoice Investments PDS.

4.6 Early withdrawals from FirstRate Term Deposits (in advance of maturity) will incur an early withdrawal interest adjustment. For partial withdrawals the adjustment will change the interest accrued in your FirstRate Term Deposits. If you withdraw the full balance, your adjusted interest will be paid with your withdrawal proceeds.

4.7 Early withdrawal interest adjustments applying to early withdrawals from FirstRate Term Deposits are calculated by the Bank taking into account the amount withdrawn, the length of time since the deposit was lodged as a percentage of the original term, and the application of an adjusted rate of interest. Information about the current method of adjusting interest is available on page 21 of the FirstChoice Investments PDS.

5. Payment of interest

5.1 Interest on FirstRate Saver and FirstRate Term Deposits is calculated daily on the closing balance of your FirstRate Saver or FirstRate Term Deposits.

5.2 Interest is credited to your FirstRate Saver effective on the last calendar day each month and when the full balance is withdrawn.

5.3 Interest is credited to your FirstRate Term Deposits at maturity or when the full balance is withdrawn.

5.4 If you have instructed CFS to direct credit distributions received from your FirstChoice Investments account to another nominated account with an Australian financial institution, CFS will ensure any interest credited to FirstRate Saver or FirstRate Term Deposits is also transferred (by transferring funds equal to the interest amount from FirstRate Saver or FirstRate Term Deposits to your FirstChoice Investments account and then to the nominated account).

- 5.5 If CFS processes your request to withdraw or transfer interest to you under 5.4, payments are subject to the processing times that apply to FirstChoice Investments. You will not receive interest on these amounts from the effective date they are withdrawn from FirstRate Saver or FirstRate Term Deposits.
- 5.6 FirstRate Saver rates of interest are variable at our discretion. Details of the current interest rates are available on the CFS website, colonialfirststate.com.au, or by contacting CFS Investor Services on 13 13 36.
- 5.7 FirstRate Term Deposits rates of interest are fixed at the time of deposit in accordance with 3.5, and apply until the maturity date subject to 4. Details of the current interest rates are available on the CFS website, colonialfirststate.com.au, or by contacting CFS Investor Services on 13 13 36.
- 6. FirstRate Term Deposits – maturity**
- 6.1 Maturity dates are calculated by taking the effective date of your deposit and adding the investment term (in months), except where the date calculated is:
- (i) an invalid date or a non-business day in NSW; in this case, the maturity date will be the following business day in NSW, or
 - (ii) is a date between 1 July and 9 July; in this case the maturity date will be the business day in NSW following 9 July.
- 6.2 At maturity, your FirstRate Term Deposits will be withdrawn and proceeds paid to your FirstChoice Investments account.
- 6.3 You may instruct CFS (under Part 2 – Your authorisation to CFS) of your maturity instructions.
- 6.4 Under 6.3, where your instruction is to establish a new FirstRate Term Deposit, the new FirstRate Term Deposit will receive an interest rate then applicable and terms and conditions then applying to new FirstRate Term Deposits.
- 7. Fees and charges**
- 7.1 Subject to section 8, there are no fees or charges for FirstRate Saver or FirstRate Term Deposits.
- 8. Changes to terms and conditions – FirstRate Saver only**
- 8.1 On giving you at least 30 days notice in writing, we may:
- introduce a fee or charge in relation to the operation or maintenance of FirstRate Saver
 - vary the method by which interest is calculated or the frequency with which interest is credited
 - introduce or change a minimum balance to which an account keeping fee applies, or
 - vary the balance ranges within which interest rates apply, except where we cannot locate you.
- 8.2 If we otherwise vary these terms and conditions, or vary our fees and charges or any interest rate, we will notify you either in writing or by advertisement in the national media, no later than the day on which the variation takes effect.
- 9. Government charges**
- 9.1 We will notify you of the introduction or variation of any Government charge either in writing or by advertisement in the national or local media, unless the Government, Government agency or representative body has already published the introduction or variation.
- 10. Closing FirstRate Saver**
- 10.1 If you do not make a deposit or withdrawal to FirstRate Saver for seven years, we will, as required by law, close the account without notice to you and transfer the credit balance to an unclaimed monies account administered by ASIC where it will not earn interest. You may, at any time, apply to ASIC for the return of the transferred balance.
- 10.2 You can at any time by written notice to CFS, close FirstRate Saver, provided you also close your FirstChoice Investments account, in which case your remaining balance will be transferred through your FirstChoice Investments account.
- 10.3 We may close your FirstRate Saver account at any time by giving notice which is reasonable in all the circumstances.
- 11. Limitation of liability**
- 11.1 We are not obliged to enquire into the circumstances of any instructions you give to CFS to transfer money in or transfer money out of FirstRate Saver or FirstRate Term Deposits.
- 11.2 We are not liable for any loss or damage you or anyone else suffers due to actions taken (or not taken) by CFS under the authority you have provided in Part 2 – Your authorisation to CFS, unless it is proved that we were negligent.
- 12. Statements of account and notices**
- 12.1 CFS will send you a consolidated statement of account including transaction details for FirstChoice Investments and FirstRate Saver or FirstRate Term Deposits at least every six months as set out in section 4 – Account management of the FirstChoice Investments PDS.
- 12.2 CFS will send you the statements of account to your nominated postal address, unless you instructed CFS to send statements of account electronically to your nominated email address.
- 12.3 CFS will send you a Maturity Notification approximately one week prior to your FirstRate Term Deposits maturing. This notice will seek your instructions for your maturing FirstRate Term Deposits. You may however instruct us at any time prior to maturity of your FirstRate Term Deposits.
- 12.4 CFS will send you other notices under this agreement by mail or as allowed by law.
- 13. Account combination – FirstRate Saver only**
- 13.1 You agree that the Bank may combine or set-off the balance of this account with any other on demand account or with any loan account for which the Bank holds security that you have or may have in the future with us. The Bank’s rights under this Clause do not extend to any account which has a facility which is regulated by the Uniform Consumer Credit Code. In such cases, the Bank may still exercise its banker’s right of account combination. The ‘Better banking book’ contains more information on the consequences of account combination. If the Bank elects to combine your accounts it will observe any applicable requirements of the Code of Operation for Centrelink Direct Credit Payments.
- 14. Complaint handling procedures**
- 14.1 If you believe that an error has occurred, you must address any complaints to CFS in its capacity as administrator of FirstRate Saver and FirstRate Term Deposits, refer to section 7 – Other information you need to know of the FirstChoice Investments PDS for further details on CFS’s complaint handling procedures.
- 15. Anti-Money Laundering and Counter-Terrorism Financing laws**
- 15.1 We may be required to report information about you to the relevant authorities. We may not be able to tell you when this occurs.
- 15.2 Notwithstanding any right you may have under this Deposit Agreement, we may not be able to transact with you or other persons associated with your FirstRate Saver or FirstRate Term Deposits account. This may include (a) delaying, blocking, freezing or refusing to process a transaction or (b) closing your FirstRate Saver or FirstRate Term Deposits account at any time (in the event that you or any other person associated with your FirstRate Saver or FirstRate Term Deposits account is a Proscribed Person). This may impact on your investment and could result in a loss of income or capital invested. You acknowledge and agree we will not be liable to you or other persons for any loss suffered (including consequential loss) in such circumstances.
- 15.3 ‘Proscribed Person’ means:
- (a) any person or entity who appears to us to be:
 - (i) a proscribed person or entity under the Charter of United Nations Act 1945 (Cth)
 - (ii) in breach of the laws of any jurisdiction prohibiting money laundering or terrorism financing
 - (iii) on a list of persons with whom dealings are proscribed by the government or a regulatory authority of any jurisdiction

5 FirstRate Saver and FirstRate Term Deposits

- (b) any person or entity who appears to us to act on behalf, or for the benefit of, a person or entity listed in (a) (i) to (iii) above.

16. Privacy policy

- 16.1 You agree to the collection, use and disclosure of your personal information as set out in the FirstChoice Investments PDS under section 7 – Other information you need to know – How is your personal information dealt with? when you set up FirstRate Saver or FirstRate Term Deposits.

17. Financial Claims Scheme

- 17.1 The Financial Claims Scheme under the Banking Act 1959 applies to these deposit accounts. The Financial Claims Scheme is free and automatically covers the total aggregated balance of all your deposit accounts (including your separate equal share in any joint deposit account) with the Bank up to and including \$1,000,000.

18. Australian Government Guarantee Scheme for Large Deposits and Wholesale Funding

- 18.1 Where the total aggregated balance of all your deposit accounts with the Bank exceeds \$1,000,000 and you require the benefit of the Australian Government Guarantee under the Australian Government Guarantee Scheme for Large Deposits and Wholesale Funding (the Scheme) for that amount greater than \$1,000,000, you must request the Bank to apply to the Scheme Administrator for the Australian Government Guarantee nominating the account or accounts you require the Australian Government Guarantee to cover. We call this your 'opt-in'.
- 18.2 The Bank is required to pay any fees payable in accordance with the Scheme Rules. If you opt-in by requesting the Bank to make an application to the Scheme Administrator for the Australian Government Guarantee, you agree to indemnify the Bank for all fees payable by the Bank to the Scheme Administrator under the Scheme.
- 18.3 The Guarantee Fee will be payable monthly and charged at an annualised rate as advised from time to time by the Australian Government. The fee is currently 0.70% and is charged on the aggregated average daily credit balance of the accounts you nominate to be covered for the month over the fee free threshold of \$1,000,000. This Guarantee Fee will be debited monthly in arrears to an account nominated by you.
- 18.4 For details of how to opt-in please visit our website at commbank.com.au, or enquire with CFS by calling 13 13 36. For more information on the terms and conditions of the Scheme, please visit the Treasury website, guaranteescheme.gov.au.

Part 2 – Your authorisation to CFS

In Part 2, 'CFS', 'we', 'our' or 'us' refers to Colonial First State Investments Limited ABN 98 002 348 352.

1. What do you authorise CFS to do?

- 1.1 You authorise us to act on your instructions for the purpose of:
 - (a) depositing money into FirstRate Saver or FirstRate Term Deposits,
 - (b) withdrawing money from FirstRate Saver or FirstRate Term Deposits by way of direct debit through your FirstChoice Investments account, and
 - (c) nominating maturity instructions for your FirstRate Term Deposits.

- 1.2 When you give instructions to us as set out above, we are acting on your behalf and not in our capacity as administrator of FirstRate Saver or FirstRate Term Deposits.

2. Direct debit authorisation

- 2.1 You authorise us to arrange for monies to be withdrawn from your FirstRate Saver or FirstRate Term Deposits for the purposes set out in 1.1(b) above.
- 2.2 This authorisation cannot be revoked.

3. Transactions

- 3.1 Subject to conditions applying on FirstRate Term Deposits set out in 4 below, transactions you instruct us to undertake on FirstRate Saver and FirstRate Term Deposits are subject to the same conditions that apply to instructions you give us in relation to FirstChoice Investments, including:
 - transaction processing and cut-off times (see section 4 – Account management of the FirstChoice Investments PDS)
 - withdrawal processing times. Note that if you withdraw immediately following 30 June or at any other time, payment may take longer than usual to process. You will not receive interest on the withdrawn monies subject to this delay which could be up to 14 days
 - distribution and interest payment processing times. If you elect to have distributions on your FirstChoice Investments transferred to your nominated financial institution, this will also apply to FirstRate Saver or FirstRate Term Deposits interest payments. Note: The transfer may take up to 14 days from the effective date of the interest payment. You will not receive any further interest on monies subject to this delay
 - we will only accept deposits from and pay withdrawals to an Australian financial institution.

- 3.2 If you instruct us to close your FirstChoice Investments account, we will also close FirstRate Saver and FirstRate Term Deposits.

- 3.3 If you have previously authorised your financial adviser to transact online on your behalf (and this authority remains current), you extend the authority to include instructions relating to FirstRate Saver and FirstRate Term Deposits.

4. FirstRate Term Deposits – conditions when requesting a deposit 1 July to 9 July

- 4.1 The following conditions only apply to requests you make to deposit monies to FirstRate Term Deposits in the period 1 July to 9 July.
 - 4.2 From 1 July to 9 July:
 - (i) We will apply any application or switch monies that you request to deposit into FirstRate Term Deposits to FirstRate Saver.
 - (ii) FirstRate Term Deposits will not be available for you to select as a destination to deposit funds via our internet services.
 - 4.3 Where 4.2(i) applies, on the business day following 9 July we will complete your request to commence a new FirstRate Term Deposit by switching the proceeds from your FirstRate Saver.
- ## 5. FirstRate Term Deposits maturity instructions
- 5.1 Maturity instructions that you request us to undertake on FirstRate Term Deposits are subject to the same conditions that apply to instructions you give us in relation to FirstChoice Investments.
 - 5.2 You can instruct us to pay the proceeds from your matured FirstRate Term Deposits to one of the following:
 - (i) a new FirstRate Term Deposit with the same investment term
 - (ii) a new FirstRate Term Deposit with a different investment term
 - (iii) FirstRate Saver
 - (iv) your FirstChoice Investments account future investment allocation.
 - 5.3 If your instructions are not received prior to the maturity date, 5.2(i) will apply.
 - 5.4 Where 5.2(i) applies, the maturing FirstRate Term Deposit proceeds will be credited to FirstRate Saver then, on the same day, this amount will be withdrawn from your FirstRate Saver and the proceeds deposited to your new FirstRate Term Deposit.

This page summarises some important points about FirstChoice Margin Lending.

What is margin lending?

Margin lending involves adding borrowed funds to your own money so that you increase the total amount you have to invest. This can provide you with a number of benefits, but also has a number of risks which need to be carefully considered before any commitment is made.

We recommend you speak to your financial adviser to determine whether a margin loan facility is appropriate for you.

Benefits of margin lending

- Borrowing money to invest can have the effect of magnifying your returns.
- You can potentially reach your investment goals faster.
- The interest paid on the loan is generally tax deductible.
- A larger investment amount can allow greater diversification, helping you to better manage risk, as you can spread the money across a wider range of investments.

Risks of margin lending

- There are risks involved with investing money (see pages 4 to 6). Margin lending will magnify any losses that are incurred as a result of these risks. Whatever happens to the value of your investment, you are still obliged to repay the loan balance and all interest costs and charges on the loan.
- If you use margin lending to invest in a 'geared' investment option (such as the Colonial First State Geared Share option), you will further magnify any losses as your level of gearing is higher. And, because geared investments are generally more volatile, the investment income may also fall, making it more difficult to service the loan.
- If the value of your investment falls below a certain level, you can be subject to a 'margin call'. This involves making a loan repayment or investing more money within a limited timeframe. If you don't act within the required timeframe, your investments may be withdrawn and applied to reduce the loan balance to the base loan-to-value ratio (base LVR). If the lender withdraws your investment to repay the loan as a result of an unsatisfied margin call, there may be costs or reduced returns that apply. In addition, the lender may, at any time, change the loan-to-value ratio (LVR) of any FirstChoice investment option. A reduction in the LVR of an investment option that you hold may also result in you being subject to a margin call. Margin calls are explained in more detail on pages 27 to 28.
- The timing of interest and margin call obligations will almost certainly not be the same timing as any income or tax benefits you may receive from your investment. You should ensure that you have capacity to meet interest and margin call payments regardless of potential or anticipated income.
- Interest rates may rise and you could have to pay more interest on the loan than you anticipated.
- If you borrow under the fixed rate loan offer and repayments are made to the loan prior to maturity (whether as a result of a margin call or otherwise), there is no entitlement for interest on the fixed rate loan to be refunded.

Why choose FirstChoice Margin Lending?

Value

FirstChoice Margin Lending offers a simple way for you to borrow money, whilst still providing important features and benefits. The rates are some of the most competitive in the marketplace, and there are no loan application fees or exit fees.

The margin lending package has been designed to take advantage of tax benefits that may be available to you. Not only is the loan interest tax deductible in most cases, but you can also pre-pay next year's interest each June. This allows you to claim the tax deduction earlier.

Service

FirstChoice Investments when combined with FirstChoice Margin Lending provides a 'one-stop' shop for your investment needs.

- One PDS and one application form.
- Your investment and loan applications are processed at the same time, and usually invested and confirmed to you within 48 hours.
- Access to FirstNet, a secure online service, which enables you and your adviser to easily monitor and transact on your loan and investments.
- You will receive consolidated quarterly reports and annual tax statements, showing both your loan and investments, that are comprehensive, yet easy to understand.
- A friendly and informative Investor Services team that can help you with any queries you might have.

Choice

- FirstChoice Margin Lending lets you adjust your loan to suit your circumstances and objectives.
- A simple 50% loan-to-value ratio limit lets you borrow up to an additional \$1 for every \$1 of your own money.
- FirstChoice Margin Lending is available across the full range of FirstChoice Investments options.
- One year fixed rate loans are available annually, prior to the start of the financial year.
- You can borrow a lump sum or a regular monthly amount.
- FirstChoice Margin Lending enables you to use your FirstChoice Investments account balance as security for a cash drawdown for investment purposes. This enables you to access money without having to withdraw your managed investments and trigger a potential capital gains tax liability.

At the time of printing, the Government was undertaking a review of margin lending arrangements, with regulation a likely outcome. The details and timing of these requirements were not known, as at the time of printing. For the latest information about these matters, you can visit our website at colonialfirststate.com.au.

6 FirstChoice Margin Lending

At a glance

Who can apply?	FirstChoice Margin Lending is available to individuals with a new or existing FirstChoice Investments account (including joint account holders). Company, partnership, superannuation fund and trustee investors cannot apply.
Loan features	FirstChoice Margin Lending gives you the choice to: → borrow a lump sum amount, and/or → borrow a regular monthly amount in line with your regular investment plan.
Cash drawdown	You can request a cash drawdown for investment purposes other than FirstChoice Investments.
Minimum loan balance	No minimum
Minimum drawdown/ regular drawdown	No minimum
Loan approval and investment	Loan approved, funds invested and usually confirmed within two business days from our receipt of a correctly completed application form and, where necessary, all information required to establish your identity (for the purposes of Anti-Money Laundering and Counter-Terrorism Financing laws).
Lending ratios	Your FirstChoice Investments account is used as security for your margin loan. At the issue date of this PDS, all investment options, FirstRate Saver and FirstRate Term Deposits have been given a loan-to-value ratio (LVR) limit of 50% by the lender. LVRs may change and you can obtain the latest by visiting our website, colonialfirststate.com.au, or contacting us on 13 13 36.
Loan application fee	Nil
Loan transaction fees	Nil
Interest rate options	→ Variable rate loan → one year fixed rate loan – this loan is only available towards the end of the financial year (30 June commencement)¹. Current interest rates are available at colonialfirststate.com.au.

¹ Fixed rate loan will be offered for a limited period prior to the 30 June commencement date each year.

Who are the parties involved?

The lender to the FirstChoice Margin Lending facility is Commonwealth Bank of Australia ('the Bank'). When you establish FirstChoice Margin Lending, you enter into an agreement with the lender to mortgage your FirstChoice Investments account, FirstRate Saver and FirstRate Term Deposits to it as security for your margin loan.

The lender has appointed Colonial First State to collect information, issue loan approvals, administer and otherwise deal with matters relating to FirstChoice Margin Lending. This means that you can deal with one party – Colonial First State, to set up FirstChoice Margin Lending and service your loan, once established.

How much can you borrow?

FirstChoice Margin Lending has been designed to make borrowing to increase your investment portfolio as simple as possible.

The maximum amount you can borrow or draw down to invest in FirstChoice Investments is determined by the amount of your money (your capital) and the loan-to-value ratio (LVR) allowed for the investment option you choose. The LVR is the maximum loan expressed as a percentage of your total investment value.

To keep things simple, every FirstChoice investment option has an LVR limit of 50%, which means that for every \$1 of your own money, you can borrow up to an additional \$1 to invest a total of \$2².

For example, if you have \$50,000 to invest or in an existing FirstChoice Investments account, you could borrow up to a maximum of \$50,000 to invest \$100,000 in FirstChoice Investments.



Can you nominate your own limit?

You will need to nominate a limit, called the credit limit, on the application form. Your credit limit is an instruction to the lender to limit your loan balance to the amount you nominate. Therefore, your credit limit should consider current and future amounts you may want to borrow, taking into account if you capitalise the loan interest. You may apply to increase your credit limit in the future, subject to approval.

What is a cash drawdown?

A cash drawdown is where you use the capital value of your FirstChoice Investments account as security to borrow and invest outside of FirstChoice. The maximum amount you can take as a cash drawdown is equal to 50% of the value of your investment.

For example, if you have an existing FirstChoice Investments account of \$50,000, the maximum amount you can take as a cash drawdown is \$25,000 to invest outside of FirstChoice (\$50,000 x 50%).



Managing your margin loan

FirstChoice Margin Lending gives you the flexibility to manage the level of borrowing that is appropriate for your investment needs, but it is important to monitor your account on an ongoing basis.

Your margin loan will be influenced by the amount you have borrowed and the daily value of your FirstChoice Investments account.

- If your investments rise in value, you may be able to borrow more money to invest in FirstChoice Investments.
- However, if your investments fall in value, the maximum amount you can borrow will decrease and you may be required to reduce your current loan or provide more capital. This is called a margin call.

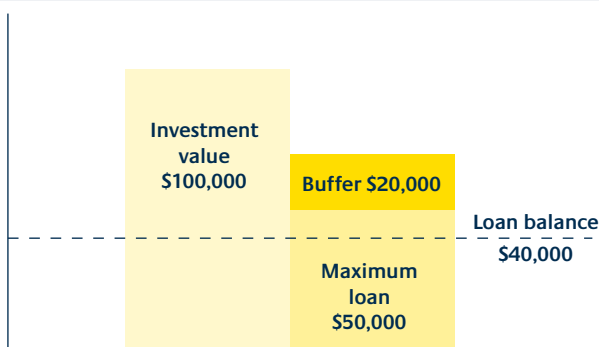
There are four important terms to understand in managing your margin loan.

Term	Description
Current LVR	This is the total amount you have borrowed on your variable and/or fixed rate loan expressed as a percentage of your daily investment value. For example, you have borrowed \$40,000 to invest in FirstChoice with an investment value of \$100,000. Your current LVR is 40%.
Base LVR	This is the maximum amount you can borrow expressed as a percentage of your daily investment value. For FirstChoice Margin Lending the base LVR is 50% ² . For example, if your total investment value is \$100,000, then the maximum loan is \$50,000.
Buffer	Once your current LVR exceeds the base LVR, we provide a buffer of 20% to give you some breathing room to allow for market fluctuations. If you are in buffer, you cannot perform any transactions that would further increase your current LVR. If you request to withdraw from your investments when in buffer, we will repay the loan from the proceeds a sufficient amount to return to the base LVR.
Margin call LVR	This is the point at which your account will be subject to a margin call and is where your current LVR exceeds the base LVR + 20% buffer.

² At the time of issue of this PDS, all investment options, FirstRate Saver and FirstRate Term Deposits are approved for security for FirstChoice Margin Lending and all carry an LVR limit of 50%. The LVRs can change and you should refer to the website or contact us on 13 13 36 for the latest approved security and LVRs.

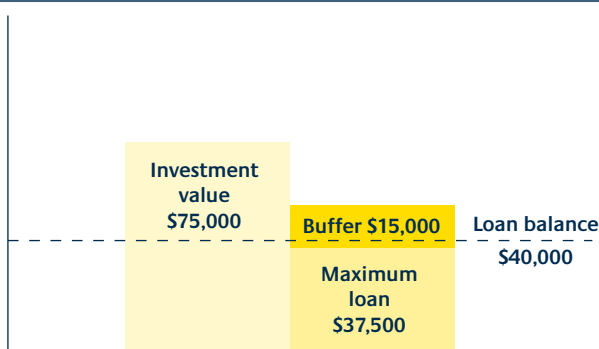
6 Understanding margin lending

Scenario 1 – Account has no action required (no margin call)



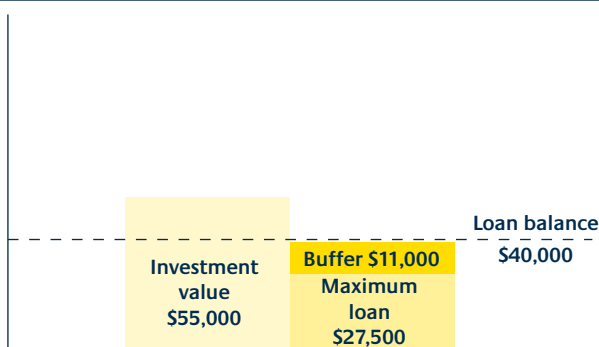
In this example, your investment value is \$100,000 and your loan balance of \$40,000 (current LVR 40%) is below the maximum amount you can borrow of \$50,000 (base LVR 50%). Therefore, you can continue to borrow a further \$10,000.

Scenario 2 – In buffer (no margin call)



In this example, your investment value has fallen to \$75,000, so your loan balance of \$40,000 increases your current LVR to 53%. Although it exceeds the base LVR, it is still within the 70% margin call LVR. Consequently, it will not trigger a margin call.

Scenario 3 – Subject to a margin call (margin call made)



In this example, your investment value continues to fall to \$55,000 and your current LVR increases to 72%, exceeding the margin call LVR (base LVR + buffer). Your account is now subject to a margin call and you will be required to return your current LVR to at least the base LVR.

What happens at margin call?

Where your account is subject to a margin call, we will attempt to contact you and/or your financial adviser by telephone and advise you of what actions you can take to reduce your current LVR. If we don't receive an instruction from you within five NSW business days, we may withdraw a sufficient amount from your investments to satisfy the margin call. For information on how to satisfy a margin call see 'Establishing and managing your FirstChoice margin loan' on page 29.

How to reduce the risk of a margin call

The following are common ways you can significantly reduce the risk of a margin call:

- avoid borrowing up to the maximum loan
- make regular interest payments
- diversify your investments
- reinvest your distributions
- monitor and manage your current LVR using FirstNet.

We also provide a notification service when your margin loan is in buffer. To get this notification to you as fast as possible, you can elect to receive your communications by email, refer to page 54.

Can you refinance if you have a margin loan with another provider?

It may be possible for you to refinance a margin loan from another provider to FirstChoice Margin Lending. You should contact us and read the information available on our website to ensure your current margin loan and FirstChoice Investments account meet FirstChoice Margin Lending establishment requirements.

Establishing and managing your FirstChoice margin loan

The following tables outline some of the terms and conditions applicable to establishing and managing your FirstChoice margin loan. This information must be read in conjunction with the terms and conditions on pages 31 to 32.

Words in *italics* have a meaning defined in the section ‘Meanings of words’ on page 32.

How do I...	What to do	Instruction options	Conditions that apply
Set up FirstChoice Margin Lending?	<p>You can apply for FirstChoice Margin Lending when you set up your FirstChoice Investments account by completing section 9 of the application form on page 53.</p> <p>For existing FirstChoice Investments account holders, you can establish FirstChoice Margin Lending using the set up FirstChoice Margin Lending – existing investors form on page 79.</p> <p>We will require information to establish your identity. In certain circumstances, your application or transactions may be delayed or we may be unable to process your application to establish FirstChoice Margin Lending (see pages 31 to 32 regarding the FirstChoice Margin Lending terms and conditions and page 36 regarding anti-money laundering laws for further information).</p>		<p>To set up FirstChoice Margin Lending, you must be the owner(s) of the FirstChoice Investments account that will be used as <i>security</i> for the loan.</p> <p>Company, trust and partnership investors and superannuation funds are not eligible for FirstChoice Margin Lending.</p> <p>You need to meet the FirstChoice Investments minimum investment amount out of your capital investment (refer to minimum initial investment in ‘FirstChoice Investments at a glance’ on page 3).</p> <p>Your application is subject to us being able to obtain credit information we consider necessary to approve the application. We can refuse your application at our discretion.</p> <p>Once approved, the loan will be offered on a continuing basis up to your nominated credit limit and subject to the lender’s right to terminate the facility or your specific instruction to cancel the facility.</p>
Draw down to invest more in my FirstChoice Investments account?	<p>You can instruct us to draw down your margin loan and invest the proceeds at the time of setting up your FirstChoice Investments account. If you request to invest the loan proceeds in a different allocation to your capital investment, the loan drawdown proceeds will be invested on the NSW business day following the capital investment.</p> <p>Existing investors establishing FirstChoice Margin Lending can instruct us to draw down and invest when setting up the facility or any time after the loan is approved.</p> <p>Drawdown requests received on a NSW business day prior to 3pm (Sydney time) will draw down your loan that day and be invested using that day’s unit price.</p>		<p>You can draw down at any time subject to your nominated credit limit and the maximum loan.</p> <p>At the time of issue of this PDS, all investment options, FirstRate Saver and FirstRate Term Deposits are approved for <i>security</i> for FirstChoice Margin Lending and all carry an <i>LVR</i> limit of 50%. <i>LVRs</i> can change and you should visit colonialfirststate.com.au or contact us on 13 13 36 for the latest approved <i>security</i> and <i>LVRs</i>.</p> <p>Refer to the section ‘How much can you borrow?’ on page 27.</p>
Make a regular loan drawdown?	<p>You can establish a regular loan drawdown to borrow a monthly amount to be invested in line with your regular investment plan.</p> <p>The regular loan drawdown will be processed effective the 20th day of the month. Investment of the proceeds will occur on the business day following the 19th day of the month.</p> <p>Once it is established, you can cancel the regular loan drawdown.</p>		<p>You will need to establish a regular investment plan on your FirstChoice Investments account and meet the minimum amount with your capital. Refer to the regular investments section of ‘Account management’ on page 14 for details.</p> <p>Your regular loan drawdown will be cancelled if it will cause you to exceed your nominated credit limit.</p> <p>If you suspend or cancel your regular investment plan, the regular loan drawdown will also be suspended or cancelled.</p>
Make a cash drawdown?	<p>You can make a cash drawdown from your margin loan to invest outside of FirstChoice Investments.</p> <p>Drawdown requests received on a NSW business day prior to 3pm (Sydney time) will be processed effective that day. Funds will be paid to your previously nominated bank account or by cheque – generally within seven working days.</p>		<p>A cash drawdown is subject to your nominated credit limit and maximum loan.</p> <p>You agree that cash drawdown proceeds are being used for investment purposes.</p> <p>A cash drawdown will impact your <i>current LVR</i> and maximum loan; refer to the section ‘How much can you borrow?’ on page 27.</p>

6 FirstChoice Margin Lending – terms and conditions

Establishing and managing your FirstChoice margin loan

How do I...	What to do	Instruction options	Conditions that apply
Make a loan repayment?	You can repay your loan in part or in full at any time.		Loan repayment requests received on a NSW business day prior to 3pm (Sydney time) will be processed effective that day.
	<p>Partially repay your loan from your bank account</p> <p>You can make a partial repayment of your loan by forwarding us a payment by EFT, BPAY, cheque or by direct debit from your previously nominated bank account.</p> <p>You will be able to specify if the repayment is to be made to the variable rate or fixed rate loan. If you do not specify, we will direct the payment to the variable rate loan, except for EFT payments, where we will credit funds to your investment.</p>	<p>EFT Individual Direct Credit</p> <p>BPAY</p> <p>Telephone and internet banking</p> <p>Call your bank, credit union or building society to make this payment from your cheque, savings or credit card account. More info: www.bpay.com.au</p> 	<p>If you wish to make a cash repayment using direct credit from your bank account, please refer to the details below.</p> <p>BSB: 062-778</p> <p>Account number: Last 9 digits of your FirstChoice Investments account number</p> <p>Account name: First name Surname</p> <p>Reference (see below)</p> <p>→ VL – to pay the variable rate loan → FL – to pay the fixed rate loan</p> <p>Please note: Over the counter branch deposits cannot be accepted.</p> <p>Refer to your Australian financial institution for payment of funds. You will need to quote:</p> <p>To repay your loan: Variable rate loan biller code: 666354 Fixed rate loan biller code: 666362 Reference number: 1 + FirstChoice Investments account number</p> <p>To use these payment options, you will need to have previously supplied a direct debit authorisation to allow us to draw from your Australian financial institution account.</p> <p>Please complete a cash repayment form or letter accompanied by a cheque made payable to 'Colonial First State – FirstChoice Investments, <Investor name>' or the direct debit authority on page 75.</p>
	<p>Repay your loan by withdrawing from your investments</p> <p>Repay your loan in full</p> <p>If you intend to repay your loan in full, you should indicate this clearly in your repayment request.</p>		<p>Loan repayments can be made by withdrawing your FirstChoice Investments and allocating the proceeds to repay part or all of your loan.</p> <p>Upon repaying your variable rate loan in full, any interest accrued will be charged.</p> <p>Your account is still approved for future drawdown up to your nominated credit limit unless you advise us otherwise.</p> <p>You cannot hold a credit balance on your margin loan. We will invest any excess balance in your FirstChoice Investments options.</p>
Satisfy a margin call?	<p>The actions you can take to satisfy a margin call include:</p> <ul style="list-style-type: none"> → increase your capital investment by making an additional investment, or → decrease your loan balance by making: <ul style="list-style-type: none"> – a cash repayment from your bank account, or – a loan repayment by withdrawing from your investments. 	<p>EFT BPAY Individual Direct Credit</p> 	<p>Upon entering a margin call you need to reduce your <i>current LVR</i> to at least the <i>base LVR</i> within five NSW business days. Refer to the section 'Managing your margin loan' on page 27.</p> <p>If we do not receive an instruction from you by the fifth business day, we will withdraw a sufficient amount from your investments to satisfy the margin call. Any withdrawal will be made in line with your current investment weightings.</p>
Cancel the FirstChoice Margin Lending facility?	<p>You must provide us with a specific instruction to cancel the facility.</p> <p>The loan must firstly be repaid in full.</p>		<p>The lender may continue to hold <i>mortgage</i> over your FirstChoice Investments account, FirstRate Saver and FirstRate Term Deposits (if applicable) for up to five days after confirmation of the cancellation.</p> <p>In certain circumstances, the lender may cancel your FirstChoice Margin Lending facility (see page 31 regarding the FirstChoice Margin Lending terms and conditions and page 36 regarding anti-money laundering laws for further information).</p>

Interest charges and payments

Interest rate options	Interest rates	Interest accrual and charge	Interest payment methods
Variable rate loan	<p>You can view current interest rates online or by contacting Investor Services on 13 13 36.</p> <p>Changes to interest rates will also be advertised in a national newspaper prior to the change taking effect.</p>	<p>Interest accrues on your variable rate loan balance daily and is charged monthly in arrears.</p> <p>The interest charge is processed on the last calendar day of the month after that day's accrual.</p>	<p>→ Direct debit¹ from your nominated bank account or</p> <p>→ Capitalise – interest is charged to your variable rate loan.</p>
Fixed rate loan offer	<p>A one year fixed rate loan is offered for a limited period prior to the 30 June commencement date each year.</p> <p>We will advertise the rate in a national newspaper and you can obtain details of the offer online or by contacting us.</p>	<p>Pre-paid interest is calculated on the amount of fixed rate loan you draw down.</p> <p>The interest charge is processed on the business day prior to the fixed rate loan commencement.</p>	

FirstChoice Margin Lending terms and conditions

In the following section, 'we', 'our' or 'us' refers to Commonwealth Bank of Australia ABN 48 123 123 124. Words in *italics* have a meaning defined in the section 'Meanings of words' on page 32.

When you sign a request to set up FirstChoice Margin Lending, and we accept and approve your loan, then you and we are bound by the terms and conditions set out in:

- 'Establishing and managing your FirstChoice margin loan'
- 'Interest charges and payments'
- 'Loan agreement'
- 'Mortgage agreement'.

These terms and conditions (pages 29 to 32) then form the FirstChoice Margin Lending Agreement (*this agreement*) between you and us.

The relevant provisions of the Code of Banking Practice also apply to your FirstChoice margin loan. A booklet called the 'Better banking book', which may be obtained by contacting Colonial First State, contains useful information on a range of banking matters including our obligations regarding confidentiality of your information, complaint handling procedures, the advisability of you informing us promptly when you are in financial difficulty and the advisability of you reading the terms and conditions applying to any banking service provided to you.

Loan agreement

1. You agree to comply with the terms and conditions as set out in 'Establishing and managing your FirstChoice margin loan'.
 - 1.1 We agree to provide you with a statement of account for your FirstChoice margin loan on a quarterly basis.

- 1.2 You are responsible for:
 - monitoring your FirstChoice Investments and determining when your loan is subject to a margin call
 - being in a position to receive any communications from us regarding margin calls, and
 - ensuring that a margin call does not occur.
 - 1.3 We will only lend you money if:
 - (a) we approve your loan and you have given us the agreement correctly completed and signed (including all information required to establish your identity for the purposes of Anti-Money Laundering and Counter-Terrorism Financing laws), and
 - (b) you are not in default under *this agreement*.
 - 1.4 Notwithstanding any right you may have under this agreement, we may not be able to transact with you or other persons. This may include (a) delaying, blocking, freezing or refusing to process a transaction or (b) cancelling your FirstChoice Margin Lending facility (in the event that you or any other person associated with your FirstChoice Margin Lending facility is a *Proscribed Person*). This may impact on your investment and could result in a loss of income or capital invested. You acknowledge and agree we will not be liable to you or other persons for any loss suffered (including consequential loss) in such circumstances.
 - 1.5 We are not liable for any loss suffered by you as a result of a change of unit price due to our delay in acting on your drawdown instructions.
2. In addition to any rights which we may have at law or in equity, we may combine or set off any money we owe you against any money you owe us. If, at any time, any of the amount owing is due but has not yet been paid, you authorise us to apply any credit balance in any account you have with us now or in the future towards satisfaction of the payment that is due. Further information about the consequences of account combination may be found in the 'Better banking book'.
 3. You are in default if:
 - (a) you do not pay on time any amounts due under *this agreement*
 - (b) you do something you agree not to do, or don't do something you agree to do, under *this agreement*
 - (c) you give us incorrect or misleading information in connection with *this agreement*
 - (d) we reasonably believe that you have acted fraudulently in connection with *this agreement*, or
 - (e) you become bankrupt, or steps are taken to make you so.
 - 3.1 If you are in default, we may give you a notice which states that you are in default and requires you to immediately pay us the amount owing. If you do not comply with such notice we send you, then we may do any or all of the following:
 - (a) sue you for the amount owing, and
 - (b) do anything with the *secured property* that the owner of that property could do, including selling or assigning it on any terms we choose, and
 - (c) do anything else the law allows us to do under the *mortgage* agreement.

¹ You must have available funds in your bank account each month. If your payment is dishonoured we will capitalise the interest charge.

6 FirstChoice Margin Lending – terms and conditions

- 3.2 We are not required to give you any notice or demand unless the notice or demand is required by law and cannot be excluded.
- 3.3 You agree that if we sell or redeem the *secured property* it may be in any way we think appropriate, and we are not required to act in accordance with any instructions you give. This will not be open to challenge for any reason.
4. We may change the amount of any fee or charge or change how often they are charged, or impose new fees or charges at any time. A schedule of our fees and charges will be sent by us to you if you so request in writing.
- 4.1 You must pay us for:
- all additional stamp and other duties, taxes or fees payable in connection with *this agreement*
 - any increase in our costs of supplying the credit limit to you.
- 4.2 You must pay for anything which you do under or in relation to *this agreement*.
- 4.3 You indemnify us against, and must therefore pay us on demand for, loss or costs (including consequential or economic loss) we suffer or incur if you are in default under *this agreement*.
5. We may use any money received under or in relation to *this agreement* towards paying any part of the amount owing in the order that we choose, including by paying a later instalment before an earlier one. This applies even if that part falls due after a default has occurred.
6. We are not liable for loss caused by the exercise or attempted exercise of, failure to exercise, or delay in exercising, a right or remedy, whether or not caused by our negligence.
- 6.1 Under law, a trustee in bankruptcy may ask us to refund a payment we have received in connection with *this agreement*. If we are obliged to, or we agree to, make a refund, we may treat this payment as if it had not been made. We are then entitled to our rights against you under *this agreement* as if the payment had never been made and, if we ask, you must do everything necessary to restore to us any *security* we held immediately prior to the payment or transfer.
- 6.2 We may give you a certificate signed by us or our lawyers about a matter or about an amount payable in connection with *this agreement*. The certificate is sufficient evidence of the matter or amount, unless it is proved to be incorrect.
- 6.3 On giving you at least 30 days notice in writing, we may:
- impose any new fee
 - vary the basis of calculating and charging interest.
- 6.4 We may vary any provision of *this agreement* including a variation of any fees and charges or a variation in an interest rate (other than a fixed interest rate) on giving notice in writing no later than the day the variation takes effect or on advertising in a national newspaper.
- 6.5 We may assign or otherwise deal with our rights under *this agreement*. You agree that we may disclose any information or documents we consider necessary to help us exercise this right.
- 6.6 Your rights are personal to you and may not be assigned without our prior written consent.
- 6.7 Each indemnity you give us is a continuing obligation, separate and independent from any other obligations you have under *this agreement*. Each indemnity continues after those other obligations end.
- 6.8 To the extent allowed by law, *this agreement* prevails to the extent that it is inconsistent with any law.
- 6.9 A provision of *this agreement* that is void, illegal or unenforceable is ineffective only to the extent of the voidness, illegality or unenforceability, but the remaining provisions are not affected.
- 6.10 Any present or future law that varies your obligations under *this agreement* is excluded to the extent allowed by law if it affects our rights or remedies adversely.
- 6.11 *This agreement* is governed by the law in force in New South Wales. You and we submit to the non-exclusive jurisdiction of the courts of New South Wales.
- 6.12 We may serve any document in a court action on you by delivering it to, or leaving it at, the address given us, or such other address as we agree to at any time. This Clause does not prevent any other method of service.
7. All notices and communications we send you in connection with *this agreement* will be made in accordance with those detailed in the 'Accessing information on your account' section on page 17 of this PDS.
3. You may require us to release the *secured property* from the mortgage when there are no longer any amounts owing under *this agreement*. Until we actually release the *secured property*, it will remain mortgaged to us.

Meanings of words

Base LVR or base loan-to-value ratio means the maximum amount that can be borrowed expressed as a percentage of the investment value.

Current LVR or current loan-to-value ratio means the total amount you have borrowed on both the variable and/or fixed rate loan expressed as a percentage of the investment value.

LVR or loan-to-value ratio means the maximum loan for each investment option, expressed as a percentage of the investment value.

Margin call LVR or margin call loan-to-value ratio means the base LVR plus 20%.

Mortgage means the mortgage you provide in accordance with the part of *this agreement* 'Mortgage agreement'.

Proscribed Person means:

- any person or entity who appears to us to be:
 - a proscribed person or entity under the Charter of United Nations Act 1945 (Cth)
 - in breach of the laws of any jurisdiction prohibiting money laundering or terrorism financing
 - on a list of persons with whom dealings are proscribed by the government or a regulatory authority of any jurisdiction
- any person or entity who appears to us to act on behalf, or for the benefit of, a person or entity listed in (a) (i) to (iii) above.

Secured property means the units held in managed investment schemes or monies held in FirstRate Saver and FirstRate Term Deposits by the borrower under or in connection with a FirstChoice Investments account.

Security means the interest in the *secured property* given for the purposes of the payment of money or performance of any obligations under *this agreement*.

This agreement means the agreement comprising the terms and conditions in:

- 'Establishing and managing your FirstChoice margin loan'
- 'Interest charges and payments'
- 'Loan agreement' and
- 'Mortgage agreement'.

Additional information

This section provides additional information you need to know with regard to the following areas of your investment in FirstChoice Investments:

Transactions and unit pricing	page 33
Investments	page 34
Taxation and regulatory	page 35
Terms and conditions	page 38

FirstRate Saver and FirstRate Term Deposits are deposit products of the Bank. They do not have a unit price and apply credit interest on the balance. Transaction cut-off and processing times apply, subject to additional information in section 5 – FirstRate Saver and FirstRate Term Deposits on pages 19 to 24.

Transactions and unit pricing

How are your transactions processed?

On occasion, we may not be able to transact with you or other persons and this may include delaying, blocking, freezing or refusing to process a transaction (see page 36 regarding anti-money laundering laws for further information).

Applications

To ensure your applications are processed efficiently, it is important that you complete all sections of the application form and provide us with all documentation we request (refer to the application form checklist on page 42).

If all information is not provided or we are unable to approve your FirstChoice margin loan, we may not proceed with your request until we receive information or instructions from you. In these situations:

- we may attempt to contact you and/or your adviser (if applicable)
- we may hold your application monies in a non-interest bearing account until we receive the required information
- if no investment option or an invalid option is selected for deducting the adviser service fee, we will deduct from the first option invested in, as outlined on page 43
- unless otherwise specified, additional deposits and applicable fees will be invested in line with your most recent transaction, excluding any allocation to FirstRate Term Deposits and/or a regular investment plan (refer to page 15)
- if no investment option or an invalid option is selected for management cost rebates to be paid into, we will credit any applicable rebate to the first option invested in, as outlined on page 43.

Funds are held for a maximum period of 30 days (in a non-interest bearing account) commencing on the day we receive the funds. After this period your funds will be returned to the source of payment.

When we receive your completed application, we deduct from your investment amount any applicable contribution fee. The balance will then be divided by the determined entry unit price for that date.

For funds received electronically, either by direct debit, EFT, BPAY or transfers from another institution, the unit price used will be the one effective the date the funds are received in our bank account; for completed applications received in our office prior to 3pm (Sydney time) on a NSW business day, the unit price used will be the one effective that day; completed applications received in our office after 3pm (Sydney time) on a NSW business day will receive the following day's entry unit price.

In extraordinary circumstances, we may suspend or restrict applications and we may also reject applications at our discretion.

If we receive an application which includes a suspended or restricted option, we will invest that allocation into the Colonial First State Cash option and notify you with your confirmation.

Switches

A switch is treated as a withdrawal from one option and an investment into another. Funds are withdrawn at the exit unit price and the new units invested at the entry unit price. These two transactions are completed on the same business day, unless your switch is from or into a suspended, restricted or terminated option. In this case your switch may not be processed and if any payment is to be made, then the exit price used to calculate this payment will be the one determined at the time the payment is made.

If your switch request includes an investment into a suspended or restricted option, we will invest that allocation into the Colonial First State Cash option and notify you with your confirmation.

When switching you must ensure you have a copy of the current PDS, which you should retain for future reference.

Switching may have capital gains tax implications. Refer to page 36.

Withdrawals

When we receive your withdrawal request, the proceeds are calculated at the next determined exit unit price. In extraordinary circumstances (which may include where an option becomes illiquid), we may suspend withdrawals or restrict your ability to withdraw.

Where an option is suspended, restricted or terminated, we may not process withdrawal requests. Any decisions whether to process withdrawals or partial withdrawals will be made in the best interests of investors as a whole, and if any payment is to be made, then the exit price used to calculate this payment will be the one determined at the time the payment is made.

Transaction cut-off times

If your valid transaction request is received in our office before the relevant cut-off time as shown in the table below, it will be processed that day using the next determined unit price.

Transaction	Cut-off time
Initial investments	3pm (Sydney time) on a NSW business day
Additional investments	3pm (Sydney time) on a NSW business day
Switches	3pm (Sydney time) on a NSW business day
Withdrawals	3pm (Sydney time) on a NSW business day
Margin loan	3pm (Sydney time) on a NSW business day

If your valid transaction request is received after the cut-off times shown above, your transaction will be processed on the following NSW business day.

7 Other information you need to know

Transaction processing and unit prices

We calculate unit prices each NSW business day. If your valid investment, switch or withdrawal request is received by the relevant cut-off time, you will receive the next determined unit price.

The next determined unit price for any NSW business day is calculated at the close of trading of all markets on that day. Therefore, the next determined unit price is not known until the following business day. It is important to consider this when making your transaction request.

Please note: If you ask for a unit price or investment valuation, we can provide an historical unit price or investment valuation only.

Can you automatically rebalance your options?

Please note: This facility is **not** available if you hold FirstRate Term Deposits.

The auto-rebalancing facility works by switching your investment amount between investment options, including FirstRate Saver, in order to realign your investment as per your preferred weightings. Although there are no fees associated with using this facility, as you will be withdrawing from one option and investing into another in order to rebalance your account, transaction costs will apply. Please refer to page 11 for further details on transaction costs.

The auto-rebalancing facility on your account will be cancelled while you hold any suspended, restricted or terminated options. This is because funds cannot be switched into or out of a suspended, restricted or terminated option. Please contact us to re-establish this facility.

For example, let's say you initially invest 30% of your initial deposit into investment option A and 70% into investment option B and you want to maintain these weightings. However, at the end of the year these weightings have changed because of the different performances of each option. Option A is now worth 60% of your portfolio and option B is worth 40%. By using the auto-rebalancing facility, you can have your portfolio rebalanced so that the initial 30%:70% weightings will be reapplied to your account balance.

Please note: All future deposits (including regular investment plan deposits), switches or withdrawals (including regular withdrawal plan) to your account will affect your auto-rebalancing facility. As a general guide you should always aim to transact on your account in line with your preferred weightings. If you do not transact in line with these weightings, Colonial First State will assume that you no longer wish to keep this facility active. If you transact outside your preferred weightings and do not advise us at that time that you want your auto-rebalancing facility to remain in effect, we will action your transaction request and cancel the auto-rebalancing facility from your account.

We recommend you consult your financial adviser before choosing to use this facility, as there may be tax consequences.

How are unit prices calculated?

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

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

market value of each option based on the information we have most recently available.

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

What is the difference between entry and exit unit prices?

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

So that existing investors do not continually bear the transaction costs resulting from investments or withdrawals that you make, all investors pay a set, average amount (a 'buy/sell' spread) when they transact. This is calculated according to the particular types of investments an option holds. Not all new investments or withdrawals cause transaction costs to be payable to an option; for example, where an investment does not incur any significant costs, or when a new investment coincides with a withdrawal by someone else. However, to be consistent, we generally apply transaction costs to all new investments and withdrawals from an option. Refer to pages 8 to 9 for the transaction costs ('buy/sell' spreads) that apply to each option.

Unit pricing adjustment policy

There are a number of factors used to calculate unit prices. The key factors include asset valuations, liabilities, debtors, the number of units on issue and, where relevant, transaction costs. When the factors used to calculate the unit price are incorrect, an adjustment to the unit price may be required. We generally use a variance of 0.30% (0.05% for a cash investment option) in the unit price before correcting the unit price.

If a unit pricing error is greater than or equal to these variances, we will:

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

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

Investments

Do the options borrow?

Except for the geared share options, most options do not borrow except for short-term arrangements for settlement purposes or if an emergency or extraordinary situation arises. Borrowing can only occur in line with an option's investment strategy. Please refer to the Investment Options Menu (Part 2) for more information on these strategies.

Do the options engage in securities lending?

Some of the options may either borrow or lend securities by entering into securities lending transactions, as part of their investment or borrowing strategies.

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

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

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

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

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

When we outsource investment management we do not specifically take into account labour standards or environmental, social or ethical considerations. However, we may consider these factors to the extent that they impact on a manager's organisational stability, reputation and performance.

Each investment manager may have its own policy on the extent to which labour standards or environmental, social or ethical considerations are taken into account when making investment decisions. Some options in this PDS do take one or more of these factors into account and the strategies for each option will outline the extent to which these factors are taken into account.

These policies are not specifically considered in selecting managers.

How is currency risk managed?

Changes in the value of the Australian dollar lead to a difference between the foreign currency returns or the value of the global investments held by an option, and those returns or values expressed in Australian dollars. This is known as foreign currency risk.

Currency is not an asset class and therefore does not give an option either natural long-term growth or an income stream. Rather, currency exposure gives rise to a source of potential volatility of returns – both positive and negative.

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

Whether an option is hedged or unhedged is disclosed under each option's strategy in the Investment Options Menu (Part 2). The extent to which an option is hedged depends on the underlying objectives and risk characteristics of the option. The extent of hedging may also vary over time depending on the value of the Australian dollar.

For Colonial First State options, we aim to hedge currency risk arising from global fixed interest and global property securities exposure. For global shares exposure, we offer options that do not hedge, partially hedge or aim to fully hedge currency

risk. When implementing a partial currency hedge, our process focuses on using hedging to partially preserve the gains that are made when the Australian dollar falls in value. This helps reduce the impact of later periods of currency rises in value. When the Australian dollar is trading at a level we believe to be close to, or above, fair value, then no hedging of the foreign currency exposure for the investor's capital will take place.

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

Where funding is raised in a foreign currency for any geared share option, foreign currency risk will be hedged.

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

Other non-Colonial First State investment options have specific hedging strategies. For information on these other strategies, please contact us on 13 13 36.

What investments can the options hold?

The Constitution of each option allows Colonial First State a great deal of discretion about what investments are held in the options. This document outlines the investments intended to be held. If we decide to change, we will advise you beforehand. The Commonwealth Bank of Australia ('the Bank'), our parent company, is listed on the Australian Securities Exchange. The Colonial First State investment options, including the multi-manager portfolios, are permitted to hold shares in the Bank under ASIC relief on certain conditions which include that any such holding is not voted and the total holdings for all entities in the Bank Group do not exceed 5% of the issued capital of the Bank.

Taxation and regulatory

How is your investment taxed?

Because the Australian taxation system is complex and different investors have different circumstances, you should consider seeking professional taxation advice before investing in FirstChoice options.

You may be required to pay tax in relation to your investment in an option (generally income or capital gains tax); however, you may be able to claim some tax credits or have the benefit of some tax concessions.

Some tax information has been provided for you below. However, although every care is taken, it is never possible to rule out the risk that on a subsequent review, taxation liabilities of each option could be increased or the benefit of concessions reduced. Because investors can move into and out of an option at different points in time, there is a risk that taxation liabilities in respect of gains that have benefited past investors may have to be met by subsequent investors.

This tax information is current at 1 June 2009.

The levels and basis of tax may change in the future. We will send you all the information you need each year in order for you to complete your tax return.

7 Other information you need to know

Will you be liable to pay tax on income distributions you receive from an option?

You may, depending on your total level of taxable income and your income tax rate. This is the case regardless of whether the money is actually paid to you or reinvested.

Any tax you pay depends on what makes up the distributions. Distributions could comprise:

- income (such as dividends and interest)
- net capital gains (from the sale of the option's investments), and
- tax credits (such as franking credits attached to dividend income and credits for tax paid on foreign income).

Will you be liable for tax when you switch or withdraw money from an option?

You may, depending on your total level of taxable income and your income tax rate. Australian residents are generally subject to capital gains tax on gains when they switch or withdraw from an option or transfer units to another person or entity. Depending on the type of taxpayer you are defined as and how long you have held your units, you may be entitled to a capital gains tax concession which can reduce the liability by up to 50%, if you are an individual, or 33% if the investment is by a superannuation fund.

Do you have to quote a Tax File Number (TFN) or an Australian Business Number (ABN)? (Australian residents only)

You choose whether to quote your TFN on your application form. Without your TFN or appropriate exemption information, we are required to withhold tax at the highest marginal tax rate (plus Medicare levy) from income distributions made to you.

What is the Constitution?

Each of the options is governed by a Constitution (which is substantially the same for each option). Together with the Corporations Act and some other laws, the Constitution sets out the conditions under which the option operates and the rights, responsibilities and duties of the responsible entity and investors. The Constitution deals with a number of issues including:

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

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

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

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

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

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

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

Anti-Money Laundering and Counter-Terrorism Financing laws

We are required to comply with these laws, including the need to establish your identity (and, if relevant, the identity of other persons associated with your account). Instructions for completing the identification process are included with the application forms in this PDS.

Additionally, from time to time, we may require additional information to assist with this process.

We may be required to report information about you to the relevant authorities. We may not be able to tell you when this occurs.

We may not be able to transact with you or other persons. This may include delaying, blocking, freezing or refusing to process a transaction. This may impact on your investment and could result in a loss of income and principal invested.

How is your personal information dealt with?

The privacy of your personal information is important to us.

We form part of the Commonwealth Bank Group of companies ('the Group'), a well known financial services organisation. The Group offers a broad range of products and services.

We collect personal information so that you can be provided with the products and services you request. We may also share personal information with other Group companies so that you and the Group can have access to an integrated view of the relationship. The Group may also tell you about other products and services that might suit your financial, lifestyle or electronic needs. The law also requires us to collect personal information.

We may disclose personal information to other parties (confidentiality arrangements apply) for certain purposes that we outsource, including bulk mailing, market research and information technology support and in order to comply with our legal obligations. We also seek expert help from time to time to help us improve our systems, products and services. Your personal information may be disclosed to these third parties in such circumstances. Your personal information will not be shared with other third parties (except with our related bodies for prudential and risk management purposes or as otherwise set out in this statement).

The law also requires us to collect and verify personal information about you. We may also collect and verify information about persons who act on your behalf. The collection and verification of information about identity helps us to protect against identity theft, money laundering and other illegal activities. Depending on whether you are an individual or an organisation, the information we collect will vary. During the course of your dealings with us, we may also collect and verify further information about you or other persons who act on your behalf.

We may be permitted or required to disclose customer information by law, eg under Court Orders or Statutory Notices pursuant to taxation or social security laws or under laws relating to sanctions, anti-money laundering or counter-terrorism financing.

Your personal information may also be used by us to administer, monitor and evaluate products and services, gather, aggregate and report statistical information, assist you with any queries and take measures to detect and prevent fraud and other illegal activity. We may also be allowed or obliged to disclose or receive information by law and to report on prudential or risk management matters.

If you notify us that you have a personal financial adviser, then details of your investment will be provided to them. If you hold our products and services through a Commonwealth Financial Planner, who is part of the Group, personal information may be used by other Group companies for marketing purposes.

We aim to ensure that the personal information we retain about you is accurate, complete and up-to-date. If you provide us with incomplete or inaccurate information, you may be in breach of the law and we may not be able to provide you with the products or services you have requested.

If you have concerns about the completeness or accuracy of the information we have about you or would like to access or amend your information, simply call us on 13 13 36 or send an email to contactus@colonialfirststate.com.au. You can contact us if you do not want to receive any marketing information from us or any other Group company. You may be contacted by telephone unless you ask us not to do so. To stop receiving telemarketing, please call 13 13 36. If you would like a copy of our Privacy Policy Statement, visit our website at colonialfirststate.com.au or call the above number.

You will be taken to agree to the collection, use and disclosure of your personal information as set out above when you apply to make an investment in FirstChoice Investments.

Is there a cooling-off period?

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

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

Please note that the cooling-off period does not apply to FirstRate Saver and FirstRate Term Deposits. FirstRate Saver and FirstRate Term Deposits terms and conditions deal with the withdrawal of your investment, together with accrued interest. The cooling-off period will lapse if you transact on your account within the 14 days. Under normal circumstances, we will return your investment within seven working days of you notifying us (and, where relevant, once we have established your identity). For more information, please call Investor Services on 13 13 36.

Can you appoint an agent?

As an investor you are entitled to appoint an agent to act on your behalf. This person could be your financial adviser, solicitor, or someone else that you trust to act on your behalf. We will only accept your appointment of an agent if (among other things) we have successfully established the identity of this agent. In order for us to do this, you will need to complete an appointment of agent form.

If you have more than one agent or signatory and you are a non-individual investor (eg company, trust or other entity type), you can appoint a verifying officer to identify your agents or signatories. To appoint a verifying officer, you will need to complete the verifying officer form. Copies of these forms can be obtained from our website or by calling 13 13 36.

Please note that by appointing an agent to act on your behalf, you are giving that person full authority over your account.

Would you like to give us feedback, or do you have a question or complaint?

If you have an enquiry, a problem we can help you with, or would simply like to give us feedback, then you can contact us by:

Calling us on	13 13 36, Monday to Friday, 8am to 7pm, Sydney time
Emailing us at	contactus@colonialfirststate.com.au
Writing to us at	Colonial First State Reply Paid 27 Sydney NSW 2001

We value your comments and work hard to address any problems we become aware of, but if we are unable to resolve a problem to your satisfaction you can take it further by contacting the Complaints Resolution Officer using the above contact details. We ensure that any complaint is properly considered and responded to swiftly, in most cases this will be within 14 days. If you would like more information on our complaints procedure, please contact us.

We hope that you are satisfied with how we address your complaint, but if our response is not adequate, or if you have not received a response after 45 days, you can have your complaint reviewed by the Financial Ombudsman Service (FOS). You can phone FOS toll free on 1300 780 808.

What are our reporting requirements?

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

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

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

Are there any other benefits to Colonial First State?

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

The options receive banking and treasury-related services from the Bank in the normal course of business and pay normal commercial fees for them. Colonial First State may derive monetary or administrative benefits from the Bank as a consequence of maintaining bank accounts with the Bank and through performing administration services for Bank products.

For the geared share options, where money is borrowed from members of the Bank, the terms are substantially the same as for other lenders.

7 Other information you need to know

Can we outsource the investment management of the Colonial First State options?

We may outsource or delegate some or all of the investment management of Colonial First State investment options to a related entity or a third party. If we outsource to a third party, an external search process is undertaken to ensure we select managers of the highest quality.

Terms and conditions

These terms and conditions apply when you open an account with us and instruct us by phone or fax, or access FirstNet or FirstLink. It is important that you read them carefully before you provide us with instructions so that you know what will apply to your transactions.

Limitation of liability

- All other representations and warranties relating to these services are excluded except for any term which is implied by law, which is taken to be included in these terms and conditions. But our liability for breach of that term is limited to resupplying the service or paying the cost of providing the service again.
- Subject to the paragraph above, we are not liable in any way (including in negligence) for any losses that you suffer (however caused) through using or supplying information by phone, fax, email, FirstNet or FirstLink.
- You acknowledge and agree that we will not be liable to you for any loss you suffer (including consequential loss) caused by an inability to transact with you or other persons. This may include delaying, blocking, freezing or refusing to process a transaction.
- You agree to use these services only in accordance with these terms and conditions and your other legal obligations. We are not liable for, and you release and indemnify us against any liabilities, claims, losses or costs arising from our acting in accordance with any communication that we receive by phone, fax or email about your account or investments with us or arising from the use of FirstNet or FirstLink by you or any person using your OIN and PIN.

Use of telephone and fax

Security of phone and fax requests

- We have procedures in place to reduce the risk of fraud, but we cannot guarantee that someone trying to impersonate you will not contact us about your account and change your details or make a withdrawal. We may dispute liability for any losses which happen because we have acted on phone or fax instructions that you have not authorised but which appear to be authorised by you.
- All our customers are automatically given access to communicate with us by phone and fax. You need to tell us if you do not want us to accept any future instructions over the phone or by fax by sending us an original signed request.
- We will block access to your account for phone and fax instructions by the second business day after we receive that request. Until this happens, these terms and conditions for phone and fax will still apply to your account.
- If you are a joint account holder, any of the joint account holders may give us instructions by phone about the account.
- If the account holder is a company, any director of the company may give us instructions by phone about the account.

Information received by phone or fax

- If the details that we receive in a fax or over the phone do not match the details that we have previously received for the account, then we will not proceed with the request.
- We also will not process a request if the instructions we receive are incomplete or appear to contain errors. This is to ensure that the transaction we perform is exactly what you were requesting.
- Fax machines may be convenient, but they are not always reliable. If a query arises over what information we received by fax, we will not accept a fax transmission report from your machine as evidence that we received the fax. This is because, although your fax machine may have confirmed that the fax was sent, we may not have received the complete fax at our end.
- We can change or cancel these terms for phone and fax at any time as long as we give you 14 days written notice.
- Apart from these terms and conditions we may have other requirements for receiving instructions from time to time. You will be notified if this affects you or your request.

Use of FirstNet and FirstLink

OIN and PIN

- You must keep your OIN and PIN secret. You should not disclose them to anyone or record them in a way which could affect their confidentiality.
- If you give someone else permission to use your OIN and PIN, you are responsible for any transactions they perform or changes they make to your account information, or anything that happens because you gave them that permission.
- Anyone can access FirstNet or FirstLink if they have a valid OIN and PIN. This means that if someone else has your OIN and PIN, they can access your account information and make transactions, even if you have not authorised them to use your OIN and PIN. We are not responsible to you and will not pay for any losses that may happen because we acted on any instructions received through FirstNet or FirstLink which used your OIN and PIN, whether or not these instructions were authorised by you.
- You must tell us immediately if you think that someone has accessed your account without your permission or if you think that someone else may know your OIN and PIN. We will stop access to the account and issue a new PIN.

Access to FirstNet and FirstLink

- You can tell us if you want to permanently stop using FirstNet and FirstLink by sending us an original signed request. We will block FirstNet and FirstLink access to your account on the second business day after we receive that request. Until this happens, these terms and conditions will still apply to your account.
- We can stop or restrict your access at any time and for any reason.
- We do not guarantee or warrant that the use of FirstNet or FirstLink will be uninterrupted or error free. We also do not warrant that it is suitable for any particular purpose or has any performance, functionality or security features, except what we are legally obliged to provide.
- We will take all reasonable steps to make sure that the information that you access through FirstNet or FirstLink is up-to-date and correct.
- When you are joint account holders, and one of you registers for FirstNet transaction access, both of you are taken to have agreed to any transactions on your account through FirstNet.

Transacting on FirstNet and FirstLink

- 'Transaction access' means the ability to review, modify or update your contact details and accounts online, apply for, withdraw and switch units between funds or options and set up automatic facilities or features.
- You agree to use this service in accordance with these terms and conditions.
- We will only act on transaction requests that are complete, received in full and do not appear to contain any error.
- For FirstNet, a transaction reference onscreen is evidence that the communication has been completed.
- We are not liable for any losses or delays that occur because we did not receive an instruction.
- If there are any government fees and charges incurred by us in relation to your use of FirstNet or FirstLink, we can debit these from your account.
- You must only use FirstNet to obtain information that you are properly authorised to access and use this information only for lawful purposes.
- We can change these terms and conditions at any time by placing the changes on our website. We may ask you to read and accept any amended terms and conditions so you can keep using FirstNet or FirstLink. But, unless otherwise required by law, once we have placed them on the website they are binding on you, even if you have not read them. We recommend that you check these terms and conditions on a regular basis. These terms and conditions include any instructions for using these services provided to you or placed on our website from time to time.

Direct debit customer service agreement

Our commitment to you

- We will send you regular transaction statements in addition to the initial confirmation of your drawings.
- Where the due date for a drawing falls on a non-business day, we will draw the amount on the next business day.
- We will provide written notice of any proposed changes to your drawing arrangement, providing no less than 14 days notice.
- We may terminate your direct debit arrangement if drawings are returned unpaid, or if debit is unsuccessful three times in any 12-month period.
- We will keep all information provided by you, and details of your nominated account at the financial institution, private and confidential.
- We will investigate and deal promptly with any queries, claims or complaints regarding debits, providing a response within 20 business days.

Your commitment to us

- It is your responsibility to check with your financial institution prior to completing the direct debit request, that direct debiting is available on that account.
- It is your responsibility to ensure that the authorisation on the direct debit request is identical to the account signing instruction held by the financial institution of the nominated account.
- It is your responsibility to ensure at all times that sufficient funds are available in the nominated account to meet a drawing on the due date for payment.
- It is your responsibility to advise us if the account nominated by you to receive the drawings is altered, transferred or closed.
- It is your responsibility to arrange with us a suitable alternate payment method if the drawing arrangements are stopped by either you or the nominated financial institution.
- It is your responsibility to meet any charges resulting from the use of the direct debit system. This may include fees charged by us as a result of drawings returned unpaid.

Your rights

- You may request to defer or alter the agreed drawing schedule, by giving written notice to us. Such notice should be received by us at least five business days prior to the due date for the next drawing.
- You may cancel the direct debit arrangement at any time by giving written notice to us. Such notice should be received by us at least five business days prior to the due date for the next drawing. Your nominated financial institution may also accept a request to cancel your direct debit arrangement with us.
- All transaction disputes, queries, and claims should be raised directly with us. We will provide a verbal or written response within 20 business days from the date of the notice. If the claim/dispute is successful, we will reimburse you by way of cheque or electronic credit to your nominated account.

Please phone Colonial First State Investor Services on 13 13 36 with any enquiries or send an email to contactus@colonialfirststate.com.au.

8 Financial Services Guide

Dated 1 June 2009

This Financial Services Guide (FSG) is an important document which we are required to give to you under the requirements of our Australian Financial Services Licence. It provides you with information about Colonial First State Investments Limited ABN 98 002 348 352 ('Colonial First State', 'we', 'our', or 'us') to help you decide whether to use the financial services we provide. This FSG outlines the types of services and products we can offer to you. It also explains how we (and other relevant persons) are remunerated for these services and includes details of our internal and external complaints handling procedures and how you can access them.

To invest in any of our financial products you must complete the application form attached to the relevant Product Disclosure Statement (PDS). The PDS contains information about the particular product and will assist you in making an informed decision about that product. The PDS for this product, dated 1 June 2009, is contained on pages 1 to 84 of this combined document.

If we provide you with personal financial product advice rather than general financial product advice we will give you a Statement of Advice (SOA). Personal financial product advice is advice that takes into account one or more of your objectives, financial situation and needs. The SOA will contain the advice, the basis on which it is given and information about fees, commissions and any associations which may have influenced the advice.

Who are we?

Colonial First State is one of Australia's leading wealth management providers and a part of the Commonwealth Bank of Australia Group ('the Bank').

Any financial services offered will be provided by a representative of Colonial First State. Colonial First State has an Australian Financial Services Licence granted under the Corporations Act to provide these services to you.

We are also licensed to be the trustee of superannuation funds under the Superannuation Industry (Supervision) Act 1993.

We do not act as a representative of any other licensee in relation to the services we provide you.

To contact us you can:

- call Investor Services on 13 13 36
- visit our website at colonialfirststate.com.au
- write to us at Level 29, 52 Martin Place, Sydney NSW 2000
- email us at contactus@colonialfirststate.com.au.

What financial services and products do we offer?

Colonial First State is authorised to offer a range of financial services including:

- dealing in financial products
- giving advice on financial products
- operating registered managed investment schemes
- being the trustee of superannuation funds.

We also offer a range of managed investment, superannuation and pension products. Some of our superannuation products offer life insurance benefits. We can help you to apply for these products and can also give you general financial advice in relation to our products, or products offered by other financial institutions, including other members of the Bank.

We do not provide financial planning services and only give personal financial product advice in limited situations. Personal financial product advice is not provided through our website or Investor Services.

How can you transact with us?

You can give us instructions by telephone, mail, fax or via our website. Any dealings with us by telephone or fax will be governed by our standard 'telephone and fax terms and conditions'. These terms and conditions are contained in the PDS for each product and are also available on the website at colonialfirststate.com.au.

There are also terms and conditions of use for our website and FirstNet, our secure internet service. These terms and conditions can be obtained on the website.

How are we remunerated for the services we provide?

If you invest in a product we offer, Colonial First State will receive remuneration in relation to your investment in that product. Where we advise you about products offered by another company of the Bank and you acquire that product, then that company will receive remuneration. This remuneration may include contribution fees and management costs (which include transaction, ongoing and, if applicable, any borrowing costs). In some situations, withdrawal fees, account fees and transaction fees may apply. The remuneration we will receive for the products we offer is set out in the PDS for the particular product. The remuneration we will receive for this product is set out in the 'Fees and other costs' section of the PDS on pages 7 to 13 of this combined document.

Colonial First State does not receive any fees, nor do we charge you additional fees for providing financial product advice.

What commissions, fees or other benefits are received?

Employees of Colonial First State who give you advice do not receive specific payments or commissions for the giving of that advice. These employees and our directors receive salaries, bonuses and other benefits from us. Bonus payments and other benefits are discretionary, and based on achievement of pre-determined objectives.

You may receive advice in relation to the products we offer from financial advisers that do not work for Colonial First State. These advisers may receive remuneration from us. The adviser's remuneration is included in the fees you pay when investing in our products.

The amount of this remuneration is set out in the PDS for the particular product. The remuneration we pay advisers in relation to this product is set out in the 'Fees and other costs' section of the PDS on pages 7 to 13 of this combined document. Your adviser is also required to set out the remuneration and commissions they receive in the SOA which they must give to you. Some of these advisers may be representatives of other licensees in the Bank.

We do not pay commissions or provide other benefits to third parties for referring customers to us.

What kind of compensation arrangements are in place for a breach of our legal obligations?

Where we are liable to meet a claim, payment will generally be paid from our cash flows and available resources.

For claims we may rely on and claim under the professional indemnity insurances that we hold. These insurances are between us and the insurer and are intended to respond to civil liability resulting from significant claims for compensation made against us for financial services provided by us or our representatives. These insurances provide cover even if one of our representatives has ceased to act or work for us.

Our compensation arrangements comply with the legal requirements set out in section 912B of the Corporations Act¹.

How is your personal information dealt with?

Please refer to page 36 of this combined document (the PDS dated 1 June 2009) for details on how your personal information is dealt with.

What should you do if you have a complaint?

Please refer to page 37 of this combined document (the PDS dated 1 June 2009) for details about our complaints handling procedures.

¹ Section 912B requires financial services licensees who provide financial services to retail clients to have arrangements for compensating those persons for loss or damage suffered because of breaches of relevant legal obligations by a licensee or its representatives.

Colonial First State Investments Limited ABN 98 002 348 352 AFS Licence 232468 (Colonial First State) is the issuer of investment, superannuation and pension products. Interests in superannuation and pension products are issued from the Colonial First State FirstChoice Superannuation Trust ABN 26 458 298 557, Colonial First State Rollover & Superannuation Fund ABN 88 854 638 840 and the Colonial First State Pooled Superannuation Trust ABN 51 982 884 624. Colonial First State is a subsidiary of the ultimate holding company Commonwealth Bank of Australia ABN 48 123 123 124 AFS Licence 234945 ('the Bank'). The Bank or its subsidiaries do not guarantee the performance of the investment, retirement and superannuation products issued by Colonial First State and they are not deposits or other liabilities of the Bank or its subsidiaries.

9 Application form checklist

Send your completed application form and cheque (if required) to:

Colonial First State, Reply Paid 27, Sydney NSW 2001

FirstChoice Investments application form (refer to page 45)

To ensure that we are able to process your application quickly and efficiently, please check that you have completed the following steps:

Step 1 – Part A		Your details – Complete sections 1-5
Account details	Nominate to open a new account or invest additional funds in an existing account	
Investor details	Provide your full name, date of birth and Tax File Number (TFN) or exemption (refer to alternate codes in bold below): E <i>Exemption</i> – please write the full name of the benefit that you receive (eg ‘Age Pension’) N <i>Non-resident</i> – please write the full name of your country of residence O <i>Not for profit organisations</i> – who are not required to lodge a TFN D <i>No TFN or do not wish to quote a TFN</i> – please refer to page 36 for further information	
Portfolio fee rebate (Joint/Trust accounts only)	Complete portfolio fee rebate account nomination if applicable (refer to page 13)	
Contact details	Provide your contact details, including residential address	
Bank account details	Provide your bank account details (if applicable)	
Income distribution	Nominate your distribution payment instructions	
Step 2 – Parts B & C		Your investment – Complete sections 6-9
Payment details	Indicate your method of payment. If investing by direct debit, please complete your bank details in section 4 . If investing via cheque, please cross your cheque ‘Not Negotiable’ and make payable to: ‘FirstChoice Investments, <Investor name>’	
Investment allocation	Complete your investment allocation details including: → The option(s) you wish to invest in → The percentage to be attributed to each option for initial investments → The percentage to be attributed to each option for regular investment plan (if applicable) Please note: If you are using FirstChoice Margin Lending, the amounts you indicate in this section should be your capital investment amount only	
FirstChoice Margin Lending – new investors only Existing FirstChoice investors use the forms on pages 59 (identification and verification form) and 79 (set up FirstChoice Margin Lending form – existing investors).	Request to establish a FirstChoice margin loan on your account (if applicable) and nominate the following details: → Drawdown instructions → Interest payment method → Your credit limit Refer to section 6 of this document for full details of the FirstChoice Margin Lending facility	
Step 3 – Parts D & E		Other information and declaration – Complete sections 10-15
Auto-rebalancing facility	This facility allows you to rebalance the percentage amounts across each of your investment options, back in line with your preferred investment strategy. Please refer to page 34 for further details of this facility	
Online services	Do not cross the box if you want online access	
Communication preferences	Provide details of how you would like to receive your information from us	
Adviser service fee	You only need to complete this section if you have agreed with your financial adviser to have an ongoing and/or one-off adviser service fee deducted from your investment	
Management cost rebate	Select the investment option to which any management cost rebate that may be applicable is to be credited. Refer to page 13 to see if you are eligible and for further details on management cost rebates.	
Declaration and signature	Sign the declaration. If you are signing under a Power of Attorney, please comply with the following: → Attach a certified copy of the Power of Attorney document → Each page of the Power of Attorney document must be certified by a Justice of the Peace, Notary Public or Solicitor → Should the Power of Attorney document NOT contain a sample of the Attorney’s signature, please also supply a certified copy of the identification documents for the Attorney, containing a sample of their signature, eg Driver’s Licence, Passport, etc → The Attorney will also need to complete a power of attorney identification form which can be obtained from our forms library at colonialfirststate.com.au or by phoning Investor Services on 13 13 36.	

Step 4	Identification and verification
For individual/joint accounts (including sole traders)	You or your adviser must also complete the identification and verification form on page 59 so that we can establish your identity or the identity of other people associated with your account
For companies, partnerships, superannuation funds and other entity types	You or your adviser must also complete the appropriate identification form which can be found in our forms library at colonialfirststate.com.au, so that we can establish your identity or the identity of other people associated with your account
For your agent	If you are appointing an agent, the appointment of agent form (which includes the identification form) must be completed so that we can establish their identity. This form can be found in our forms library at colonialfirststate.com.au
For verifying officers	If you are appointing a verifying officer (for non-individual investors), then the verifying officer form must be completed so that we can establish their identity. This form can be found in our forms library at colonialfirststate.com.au

Additional information on setting up alternative account types

Accounts on behalf of a minor

We do not accept any investments in the name of a minor (under 18 years of age); however, the investment may be held 'as designation' for the minor. In order to set up an account as designation for a minor, please insert the minor's name in the 'Account designation' field under **section 2**. It is important that you also complete Investor 1 and/or Investor 2 as owners of the account, and provide the TFN(s) of the investor(s) rather than the minor.

Superannuation fund or trust

Please insert the entity's name under 'Superannuation fund/trust'. We will also require information of the trustees. To supply this trustee information, please complete Investor 1 and/or Investor 2 if trustees are individuals. If the trustee is a company, please complete the 'Company name' field.

Default order for deduction of fees and management cost rebates

Please note: Where amounts are to be deducted from or credited to your investment, for example, adviser service fees or management cost rebates and no option or an invalid option has been nominated by you, a default order exists. Generally, the default order draws from or credits to your more conservative option first. Special rules may apply where you hold FirstRate Term Deposit options. Please call Investor Services on 13 13 36 should you require further information.

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FirstChoice Investments Application Form

1 June 2009

Units in FirstChoice Investments will only be issued on receipt of this completed application form and any documents required to be attached, issued together with the PDS dated 1 June 2009. You must have read Part 1 and Part 2 of the PDS before applying. Refer to page 42 for instructions on how to complete this form. Please phone Colonial First State Investor Services on **13 13 36** with any enquiries.

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

OFFICE USE ONLY

Fields marked with an asterisk (*) **must** be completed for the purposes of anti-money laundering laws.

PART A – YOUR DETAILS

1. ACCOUNT DETAILS

Are you opening a new account?

Yes I am a new CFS investor

I have an existing CFS account, my account number is

No This is an additional investment for account number

0 7 0

2. INVESTOR DETAILS

INVESTOR 1 (individual accounts/sole trader)

Title

Mr Mrs Miss Ms Other

Full given name(s)*

Surname*

Date of birth*

Male Female

Occupation*

Your main country of residence, if not Australia*

Tax File Number or reason for exemption (refer to page 42)

or code

If a foreign resident for tax purposes, specify country of residence

Full business name of sole trader*

Full address (PO Box is NOT acceptable) of principal place of business (sole traders only)*

Unit number

Street number

Street name

Suburb

State

Postcode

Country

ABN (if any) of sole trader*

INVESTOR 2 (joint accounts)

Title

Mr Mrs Miss Ms Other

Full given name(s)*

Surname*

Date of birth*

Male Female

Occupation*

Your main country of residence, if not Australia*

Tax File Number or reason for exemption (refer to page 42)

or code

If a foreign resident for tax purposes, specify country of residence

2. INVESTOR DETAILS (CONTINUED)

ACCOUNT DESIGNATION

Only use to indicate a minor's name for an account designation (refer to page 43)

PORTFOLIO FEE REBATE – JOINT/TRUST ACCOUNTS ONLY

Please nominate whose portfolio you wish this account to be included in for the purposes of portfolio rebate calculation. If no nomination is made, this account will not be linked. Please refer to page 13 for further details and to see if you are eligible.

Investor 1 portfolio

Investor 2 portfolio

Do not link this account

NON-INDIVIDUAL INVESTORS – COMPANY/PARTNERSHIP/SUPERANNUATION FUND OR OTHER ENTITY

Full name of company/partnership/trustee/other entity*

Full name of superannuation fund/trust*

Principal business/trust activity*

Are you a charity?*

Yes

No

Country established, if not Australia*

ABN/ARBN/ARSN

Tax File Number

3. CONTACT DETAILS

Residential address (PO Box is NOT acceptable) – Investor 1 (including sole trader)*

Unit number

Street number

Street name

Suburb

State

Postcode

Country

Residential address (PO Box is NOT acceptable) – Investor 2 (if applicable and different to above)*

Unit number

Street number

Street name

Suburb

State

Postcode

Country

Postal address (if different to above)

Unit number

Street number

PO Box

Street name

Suburb

State

Postcode

Country

Work phone number

Home phone number

Fax number

Mobile phone number

Email address for investor 1/non-individual investors

Email address for investor 2 (if applicable)

By providing your email address, you agree that we may use this address to provide you with information about your investment (such as transaction confirmations, statements, reports and other material). From time to time we may still need to send you letters in the post.

4. BANK ACCOUNT DETAILS

You can only nominate a bank account that is held in your name(s). If you wish to nominate a bank account that is held in different name(s), you will have to complete the separate direct debit authority form (included in this PDS). By providing your bank account details in this section, you authorise Colonial First State to use these details for all future transaction requests that you nominate.

BANK ACCOUNT 1

Please provide your account details in this section if you have requested us to debit or credit your bank account.

Name of Australian financial institution

Branch name

Branch number (BSB)

Account number

Name of account holder

BANK ACCOUNT 2

Only complete your account details in this section if you would like your **regular investment plan** debited from a **different** bank account.

Name of Australian financial institution

Branch name

Branch number (BSB)

Account number

Name of account holder

5. INCOME DISTRIBUTION

A nomination in this section overrides any previous nominations. Distributions will be reinvested unless otherwise stated. Cross (X) one box only.

How would you like your income distributions to be paid?

Reinvested in the option

Credit to my/our bank account

Make sure you also complete your bank account details above in **section 4**.

PART B – YOUR INVESTMENT

6. INTERNAL TRANSFER DETAILS

I would like to transfer funds from my existing CFS account number

I would like to transfer the entire balance. I understand that doing this will close my existing account.

OR

I would like to retain a balance in my existing CFS account

Please transfer exactly \$. to open this new account

OR

Please transfer the balance leaving exactly \$. in my above mentioned existing account

Please leave the remaining funds invested in the following investment allocation:

If no investment allocation is indicated, we will leave the balance in your current weightings.

8. INVESTMENT ALLOCATION (CONTINUED)

Option name	Option CODE	Initial or additional investments %	Regular investment plan
FirstChoice Global Share – Hedged	082	□ □ □ □ %	□ □ □ □ %
FirstChoice Asian Share	202	□ □ □ □ %	□ □ □ □ %
FirstChoice Emerging Markets	233	□ □ □ □ %	□ □ □ □ %
FirstChoice Geared Boutique Australian Share	206	□ □ □ □ %	□ □ □ □ %
FirstChoice Multi-Index series			
FirstChoice Multi-Index Conservative	009	□ □ □ □ %	□ □ □ □ %
FirstChoice Multi-Index Balanced	017	□ □ □ □ %	□ □ □ □ %
Single manager options			
Conservative			
Colonial First State Conservative	008	□ □ □ □ %	□ □ □ □ %
Perpetual Conservative Growth	010	□ □ □ □ %	□ □ □ □ %
Moderate			
Colonial First State Balanced	012	□ □ □ □ %	□ □ □ □ %
ING Balanced	013	□ □ □ □ %	□ □ □ □ %
Perpetual Diversified Growth	014	□ □ □ □ %	□ □ □ □ %
Growth			
BT Active Balanced	018	□ □ □ □ %	□ □ □ □ %
Colonial First State Diversified	016	□ □ □ □ %	□ □ □ □ %
ING Tax Effective Income	080	□ □ □ □ %	□ □ □ □ %
Perpetual Balanced Growth	019	□ □ □ □ %	□ □ □ □ %
High growth			
Colonial First State High Growth	024	□ □ □ □ %	□ □ □ □ %
Perpetual Split Growth	025	□ □ □ □ %	□ □ □ □ %
Cash and deposits			
Colonial First State Cash	003	□ □ □ □ %	□ □ □ □ %
FirstRate Saver ¹	800	□ □ □ □ %	□ □ □ □ %
FirstRate Term Deposit – 3 month ¹ – available from 13 July 2009	810	□ □ □ □ %	
FirstRate Term Deposit – 6 month ¹ – available from 13 July 2009	811	□ □ □ □ %	
FirstRate Term Deposit – 9 month ¹ – available from 13 July 2009	812	□ □ □ □ %	
FirstRate Term Deposit – 12 month ¹ – available from 13 July 2009	813	□ □ □ □ %	

¹ FirstRate Saver and FirstRate Term Deposits are deposit products of Commonwealth Bank of Australia, refer to section 5 – FirstRate Saver and FirstRate Term Deposits on pages 19 to 24.

8. INVESTMENT ALLOCATION (CONTINUED)

Option name	Option CODE	Initial or additional investments %	Regular investment plan
Fixed interest and income			
Colonial First State Diversified Fixed Interest	004	%	%
Colonial First State Global Credit Income	056	%	%
Deutsche Australian Bond	006	%	%
ING Diversified Fixed Interest	254	%	%
Macquarie Income Opportunities	252	%	%
Enhanced yield			
Acadian Quant Yield	236	%	%
Colonial First State Enhanced Yield	073	%	%
Goldman Sachs JBWere Income Plus	072	%	%
PM Capital Enhanced Yield	064	%	%
Schroder Hybrid Securities	057	%	%
Property and infrastructure securities			
BT Property Investment	045	%	%
Challenger Property Securities	212	%	%
Colonial First State Index Property Securities	067	%	%
Colonial First State Property Securities	043	%	%
Goldman Sachs JBWere Australian Infrastructure	235	%	%
Principal Property Securities	066	%	%
RREEF Property Securities	044	%	%
Global property and infrastructure securities			
Colonial First State Colliers Global Property Securities	068	%	%
Colonial First State Global Listed Infrastructure Securities	226	%	%
Australian share			
Barclays Australian Share	052	%	%
BlackRock Australian Share	032	%	%
BT Core Australian Share	034	%	%
Challenger Australian Share	065	%	%
Challenger Australian Share Income	234	%	%

8. INVESTMENT ALLOCATION (CONTINUED)

Option name	Option CODE	Initial or additional investments %	Regular investment plan
Colonial First State Alpha Plus – Core	231	%	%
Colonial First State Australian Share – Core	026	%	%
Colonial First State Equity Income	232	%	%
Colonial First State Imputation	027	%	%
Colonial First State Index Australian Share	028	%	%
Fidelity Australian Equities	078	%	%
ING Australian Share	030	%	%
Maple-Brown Abbott Imputation	031	%	%
Perpetual Industrial Share	033	%	%
Realindex RAFI Australian Share	241	%	%
Schroder Australian Equity	035	%	%
Australian share – boutique			
Acadian Australian Equity	077	%	%
Acadian Australian Equity Long Short	075	%	%
Ausbil Australian Active Equity	029	%	%
452 Australian Share	049	%	%
Integrity Australian Share	048	%	%
Investors Mutual Australian Share	054	%	%
Lodestar Australian Absolute Return	253	%	%
Perennial Value Australian Share	055	%	%
PM Capital Australian Share	053	%	%
Australian share – small companies			
Ausbil Australian Emerging Leaders	211	%	%
Colonial First State Future Leaders	061	%	%
Realindex RAFI Australian Small Companies	242	%	%
Souls Australian Small Companies	070	%	%
Global share			
Acadian Global Equity	069	%	%
AXA Global Equity – Value	058	%	%

8. INVESTMENT ALLOCATION (CONTINUED)

Option name	Option CODE	Initial or additional investments %	Regular investment plan
BT Core Global Share	042	<input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> %
Capital International Global Share	040	<input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> %
Colonial First State Global Share	037	<input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> %
Colonial First State Index Global Share	038	<input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> %
Colonial First State Index Global Share – Hedged	071	<input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> %
DWS Global Equity Thematic	238	<input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> %
MFS Global Equity	039	<input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> %
Perpetual International	041	<input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> %
Realindex RAFI Global Share	243	<input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> %
Realindex RAFI Global Share Hedged	244	<input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> %
Global share – specialist			
Acadian Global Equity Long Short	203	<input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> %
Colonial First State Global Resources	036	<input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> %
Generation Global Sustainability	230	<input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> %
Goldman Sachs JBWere Global Small Companies	059	<input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> %
Platinum International	050	<input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> %
PM Capital Absolute Performance	081	<input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> %
Geared			
Acadian Geared Global Equity	207	<input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> %
Colonial First State Colliers Geared Global Property Securities	208	<input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> %
Colonial First State Geared Global Share	047	<input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> %
Colonial First State Geared Share	046	<input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> %
452 Geared Australian Share	062	<input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> %
TOTAL		1 0 0 %	1 0 0 %

Cross (X) this box if you would like to increase your regular investment plan amount in line with inflation (CPI) each year.



9. FIRSTCHOICE MARGIN LENDING – NEW INVESTORS ONLY (CONTINUED)

REGULAR LOAN DRAWDOWN DETAILS

To set up a regular loan drawdown, you must have specified a regular investment plan amount in **section 8**. The maximum regular loan drawdown amount will be based on the amount and allocation of your regular investment plan. Your regular loan drawdown will be invested in line with the allocations of your regular investment plan.

Regular loan drawdown amount \$

INTEREST PAYMENT DETAILS

If you are paying by direct debit, ensure you complete your bank account details in **section 4**. Interest will be capitalised unless otherwise stated. Cross (X) one box only.

Payment of interest

Direct debit from your nominated bank account Capitalise to your variable rate loan

NOMINATE YOUR CREDIT LIMIT (MANDATORY FOR MARGIN LOAN)

You must nominate a credit limit if you are setting up a margin loan. Your credit limit should consider your initial loan drawdown amount, regular loan drawdowns and capitalisation of interest. Nominate a limit that is the maximum amount you anticipate you may want to borrow over the life of the loan.

Please nominate the credit limit you would like to set on your loan by selecting or specifying an amount below:

\$20,000 \$50,000 \$100,000
 \$250,000 \$500,000 or specify: \$

PART D – OTHER INFORMATION

10. AUTO-REBALANCING FACILITY

Please cross (X) the boxes below to indicate if you want your investment selection above to be applied to auto-rebalance your account. If you invest in FirstRate Term Deposits, this facility is not available. If you make no frequency selection, we will rebalance your portfolio annually. Before taking up this facility, refer to page 34.

Establish auto-rebalancing facility Please complete the frequency for your account

Frequency	Annually	<input type="checkbox"/>
	Quarterly	<input type="checkbox"/>

11. ONLINE SERVICES

Please note that you will be automatically granted access to manage your investment over the internet through FirstNet and by telephone through FirstLink. Online access is provided under the terms and conditions provided on page 38.

Please cross (X) this box if you **do not** wish to have online access to your investment.

Please note: If you want your adviser to transact on your behalf, you will be automatically updated to full transaction access on your account via FirstNet, if you do not already have this level of access.

12. COMMUNICATION PREFERENCES

If you have provided your email address in **section 3**, we will use this address to provide you with information about your investments (such as transaction confirmations, statements, reports and other materials). Please refer to page 17 for further details. If you would prefer to receive your information in another way, please advise below.

Communication type	Preferences		
Statements/confirmations	Email <input type="checkbox"/>	Mail <input type="checkbox"/>	
iQ Magazine	Email <input type="checkbox"/>	Mail <input type="checkbox"/>	
Promotional communications	Email <input type="checkbox"/>	Mail <input type="checkbox"/>	Opt out <input type="checkbox"/>

These preferences will be applied to **all** your accounts (including any joint accounts). Cross (X) here if you **do not** wish this to occur.

13. ADVISER SERVICE FEE

ONGOING FEE

Complete this section only if you have agreed with your financial adviser to have an ongoing adviser service fee deducted. Refer to page 12 for details.

Investment option from which the fee is to be deducted. Indicate one option only.

Option **CODE** (refer to pages 48 to 52)

OR FirstChoice margin loan – variable rate (if applicable)

Adviser service fee including GST

% per annum **OR** \$ **per month**

ONE-OFF FEE

Complete this section only if you have agreed with your financial adviser to have a one-off adviser service fee deducted. Refer to page 12 for details.

Investment option from which the fee is to be deducted. Indicate one option only.

Option **CODE** (refer to pages 48 to 52)

OR FirstChoice margin loan – variable rate (if applicable)

Adviser service fee including GST

\$

If no option or more than one option or an invalid option is nominated, we will deduct this fee from the first option invested in, as outlined on page 43.

We recommend you do not nominate FirstRate Term Deposits for deduction of any adviser service fees, as that will create early withdrawals.

14. MANAGEMENT COST REBATE

Select the investment option to which any management cost rebate (adviser trail rebate and portfolio rebate) that may be applicable is to be credited. Indicate one option only.

Option **CODE** (refer to pages 48 to 52)

OR FirstChoice margin loan – variable rate (if applicable)

If no option or more than one option or an invalid option is nominated, we will credit this rebate to the first non-Cash option invested in, as outlined on page 43.

PART E – DECLARATION

15. DECLARATION AND SIGNATURE

I/We declare and agree that:

- I/we have read Parts 1 and 2 of this PDS to which this application applies and have received and accepted the offer in it in Australia
- my/our application is true and correct
- I am/we are bound by the relevant product provider's terms and conditions and provisions (as amended) contained in the PDS and the relevant Constitutions for the options that are selected or in which I am/we are invested
- I/we have legal power to invest
- my/our adviser will receive the payments detailed in the PDS and this application form including via redemption of units from my/our investment
- if I/we have received this PDS from the internet or other electronic means that I/we received it personally or a printout of it, accompanied by or attached to this application form
- if this is a joint application, each of us agrees, unless otherwise indicated on this application or relevant option's terms and conditions, our investment is as joint tenants. Each of us is able to operate the account and bind the other(s) to any transaction including investments, switches or withdrawals by any available method
- this application is not because of an unsolicited meeting with or telephone call from another person
- future investments will be made in line with the most recent transaction (excluding FirstRate Term Deposits and/or regular investment plan) unless I/we instruct you otherwise
- if investing as trustee, on behalf of a superannuation fund or trust I/we confirm that I am/we are acting in accordance with my/our designated powers and authority under the trust deed. In the case of superannuation funds, I/we also confirm that it is a complying fund under the Superannuation Industry (Supervision) Act 1993
- Colonial First State and/or its related entities will not be liable to me/us or other persons for any loss suffered (including consequential loss) in circumstances where transactions are delayed, blocked, frozen or where Colonial First State and/or its related entities refuses to process a transaction or ceases to provide me/us with a product or service.

15. DECLARATION AND SIGNATURE (CONTINUED)

I/We acknowledge that:

- other than FirstRate Saver and FirstRate Term Deposits, which are deposit products of Commonwealth Bank of Australia, investments in the options are not investments, deposits or other liabilities of the Commonwealth Bank of Australia 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 Colonial First State nor the Commonwealth Bank of Australia or its subsidiaries guarantee the repayment of capital or the performance of the options or any particular rate of return from the options.

Additional Declaration applying only to FirstChoice Margin Lending

Commonwealth Bank of Australia is the lender to the FirstChoice Margin Lending facility and has appointed Colonial First State to collect information, issue loan approvals, administer and otherwise deal with matters relating to this facility.

I/We declare that:

- (a) all the information I/we have given you is correct and not misleading, and
- (b) I/we have not withheld any information which might have caused you not to enter into this agreement, and
- (c) I/we do not breach any law or obligation to another person by entering into this agreement, and
- (d) my/our obligations under this agreement are valid and binding and I/we benefit by entering into them.

These declarations are of a continuing nature. I/We agree to tell you immediately if anything I/we have declared becomes untrue or impossible.

I/We authorise you:

- (a) to give a credit reporting agency certain personal information about me/us including the fact that I/we have applied for credit and the amount, any payments which become overdue more than 60 days and, in specified circumstances, that in your opinion I/we have committed a serious credit infringement
- (b) to obtain from a credit reporting agency information relating to my/our commercial credit activities and a credit report containing personal and credit information about me/us to assess this application or for the purpose of collecting overdue payments in respect of any credit which you have provided to me/us
- (c) to give to and obtain from any credit provider named in a credit report issued by a credit reporting agency or a commercial reporting agency respectively information about my/our credit arrangements including my/our creditworthiness, credit standing, credit history and credit capacity. The information may be given and used for purposes that include assessing an application by me/us for credit, assisting me/us in avoiding defaulting on my/our credit obligations, notifying other credit providers of a default by me/us, assessing my/our creditworthiness, and, where the information is given to participants in a securitisation scheme, assessing the risk in purchasing any loan given to or applied for by me/us and/or the risk in undertaking credit enhancement of any such loan, and
- (d) when you are performing tasks reasonably necessary to the provision and management of securitised loans, to obtain from a credit reporting agency a credit report containing personal credit information about me/us for the securitisation purpose permitted by Section 18E(1)(b)(ia) of the Privacy Act 1988.

Risk Disclosure Statement

I/We have read the information on page 25 of the PDS regarding the additional risks involved with FirstChoice Margin Lending.

Purpose Declaration

By signing below, I/we declare that the credit to be provided to me/us by Commonwealth Bank of Australia is to be applied wholly or predominantly for business or investment purposes (or for both purposes).

Adviser Online Transaction Authority

If I/we have an active Adviser Online Transaction Authority, by signing below, I/we declare that I am/we are instructing Colonial First State to extend that authority to include FirstChoice Margin Lending transactions and any modifications to the loan details.

Identification and Verification Form – individuals and sole traders

Full name of investor

All clients applying for a new FirstChoice Investments account (including FirstRate Saver and FirstRate Term Deposits) or a newly established FirstChoice margin loan **must** complete the identification procedures (for the purposes of Anti-Money Laundering and Counter-Terrorism Financing laws). This form is to assist with those procedures for individuals and sole traders. If you are making an application for a non-individual account (for example, a company or trust) you or your adviser will be required to complete different forms to establish your identity, which can be obtained from our forms library at colonialfirststate.com.au or by phoning Investor Services on 13 13 36.

Financial advisers undertake identification and verification procedures by completing sections A to C of this form or by using other industry standard forms.

If you do not have a financial adviser, you are required to complete section A of this form and provide certified copies of the ID documents (do not send original documents). **Please note:** For joint accounts a separate form is required for each investor.

The list of the parties who can certify copies of the documents is set out below. To be correctly certified we need the ID documents to be clearly noted ‘True copy of the original document’. The party certifying the ID documents will also need to state what position they hold and sign and date the certified documents. If this certification does not appear, you may be asked to send in new certified documents.

List of persons who can certify documents* (for the purposes of Anti-Money Laundering and Counter-Terrorism Financing laws):

- Justice of the Peace
- Solicitor
- Police Officer
- Magistrate
- Notary Public (for the purposes of the Statutory Declaration Regulations 1993)
- Employee of Australia Post (with two or more years of continuous service)
- Your financial adviser (provided they have two or more years of continuous service)
- Your accountant (provided they have two or more years of continuous membership to a professional accounting body)
- Australian consular officer or an Australian diplomatic officer (within the meaning of the Consular Fees Act 1955)
- A permanent employee of a financial institution (eg bank) provided they have two or more years of continuous service.

* There may be additional persons that can certify documents due to changes to the law. From time to time, we will provide an updated list of these additional persons in our forms library at colonialfirststate.com.au.

SECTION A: VERIFICATION PROCEDURE

Complete Part 1 (or if the individual does not own a document from Part 1, then complete either Part 2 or Part 3).

Part 1 Acceptable primary ID documents	
<input checked="" type="checkbox"/>	Select ONE valid option from this section only
<input type="checkbox"/>	Australian State/Territory driver's licence containing a photograph of the person
<input type="checkbox"/>	Australian passport (a passport that has expired within the preceding two years is acceptable)
<input type="checkbox"/>	Card issued under a State or Territory for the purpose of proving a person's age containing a photograph of the person
<input type="checkbox"/>	Foreign passport or similar travel document containing a photograph and the signature of the person ¹

Continued over the page...

¹ Documents that are written in a language that is not English must be accompanied by an English translation prepared by an accredited translator.

Part 2 Acceptable secondary ID documents – should only be completed if the individual does not own a document from Part 1

Tick ✓ Select ONE valid option from this section

- Australian birth certificate
- Australian citizenship certificate
- Pension card issued by Centrelink
- Health card issued by Centrelink

Tick ✓ AND ONE valid option from this section

- A document issued by the Commonwealth or a State or Territory within the preceding 12 months that records the provision of financial benefits to the individual and which contains the individual's name and residential address
- A document issued by the Australian Taxation Office within the preceding 12 months that records a debt payable by the individual to the Commonwealth (or by the Commonwealth to the individual), which contains the individual's name and residential address
- A document issued by a local government body or utilities provider within the preceding three months which records the provision of services to that address or to that person (the document must contain the individual's name and residential address)
- If under the age of 18, a notice that was issued to the individual by a school principal within the preceding three months; and contains the name and residential address; and records the period of time that the individual attended that school

Part 3 Acceptable foreign ID documents – should only be completed if the individual does not own a document from Part 1

Tick ✓ BOTH documents from this section must be presented

- Foreign driver's licence that contains a photograph of the person in whose name it is issued and the individual's date of birth¹
- National ID card issued by a foreign government containing a photograph and a signature of the person in whose name the card was issued¹

SECTION B: RECORD OF VERIFICATION PROCEDURE

FINANCIAL ADVISER USE ONLY

Verify the **individual's** full name and date of birth **OR** residential address.

Receipt of a completed form will constitute your agreement as a reporting entity that you have completed the identification and verification of the investor for the purposes of Anti-Money Laundering and Counter-Terrorism Financing laws.

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 issuer	<input type="text"/>	<input type="text"/>
Issue date	<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/> / <input type="text"/> / <input type="text"/>
Expiry date	<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/> / <input type="text"/> / <input type="text"/>
Document number	<input type="text"/>	<input type="text"/>
Accredited English translation	<input type="checkbox"/> N/A <input type="checkbox"/> Sighted	<input type="checkbox"/> N/A <input type="checkbox"/> Sighted

SECTION C: FINANCIAL PLANNER DETAILS – identification and verification conducted by:

Date verified (dd/mm/yyyy) / /

Financial planner's name

Phone number

AFS licensee name

AFS Licence number

¹ Documents that are written in a language that is not English must be accompanied by an English translation prepared by an accredited translator.



FirstChoice Investments Application Form

1 June 2009

Units in **FirstChoice** Investments will only be issued on receipt of this completed application form and any documents required to be attached, issued together with the PDS dated 1 June 2009. You must have read Part 1 and Part 2 of the PDS before applying. Refer to page 42 for instructions on how to complete this form. Please phone Colonial First State Investor Services on **13 13 36** with any enquiries.

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

OFFICE USE ONLY

Fields marked with an asterisk (*) **must** be completed for the purposes of anti-money laundering laws.

PART A – YOUR DETAILS

1. ACCOUNT DETAILS

Are you opening a new account?

Yes I am a new CFS investor

I have an existing CFS account, my account number is

No This is an additional investment for account number **0 7 0**

2. INVESTOR DETAILS

INVESTOR 1 (individual accounts/sole trader)

Title
Mr Mrs Miss Ms Other

Full given name(s)*

Surname*

Date of birth* / / Male Female

Occupation*

Your main country of residence, if not Australia*

Tax File Number or reason for exemption (refer to page 42) or code

If a foreign resident for tax purposes, specify country of residence

INVESTOR 2 (joint accounts)

Title
Mr Mrs Miss Ms Other

Full given name(s)*

Surname*

Date of birth* / / Male Female

Occupation*

Your main country of residence, if not Australia*

Tax File Number or reason for exemption (refer to page 42) or code

If a foreign resident for tax purposes, specify country of residence

Full business name of sole trader*

Full address (PO Box is NOT acceptable) of principal place of business (sole traders only)*

Unit number Street number Street name

Suburb State Postcode

Country

ABN (if any) of sole trader*

2. INVESTOR DETAILS (CONTINUED)

ACCOUNT DESIGNATION

Only use to indicate a minor's name for an account designation (refer to page 43)

PORTFOLIO FEE REBATE – JOINT/TRUST ACCOUNTS ONLY

Please nominate whose portfolio you wish this account to be included in for the purposes of portfolio rebate calculation. If no nomination is made, this account will not be linked. Please refer to page 13 for further details and to see if you are eligible.

Investor 1 portfolio

Investor 2 portfolio

Do not link this account

NON-INDIVIDUAL INVESTORS – COMPANY/PARTNERSHIP/SUPERANNUATION FUND OR OTHER ENTITY

Full name of company/partnership/trustee/other entity*

Full name of superannuation fund/trust*

Principal business/trust activity*

Are you a charity?*

Yes

No

Country established, if not Australia*

ABN/ARBN/ARSN

Tax File Number

3. CONTACT DETAILS

Residential address (PO Box is NOT acceptable) – Investor 1 (including sole trader)*

Unit number

Street number

Street name

Suburb

State

Postcode

Country

Residential address (PO Box is NOT acceptable) – Investor 2 (if applicable and different to above)*

Unit number

Street number

Street name

Suburb

State

Postcode

Country

Postal address (if different to above)

Unit number

Street number

PO Box

Street name

Suburb

State

Postcode

Country

Work phone number

Home phone number

Fax number

Mobile phone number

Email address for investor 1/non-individual investors

Email address for investor 2 (if applicable)

By providing your email address, you agree that we may use this address to provide you with information about your investment (such as transaction confirmations, statements, reports and other material). From time to time we may still need to send you letters in the post.

4. BANK ACCOUNT DETAILS

You can only nominate a bank account that is held in your name(s). If you wish to nominate a bank account that is held in different name(s), you will have to complete the separate direct debit authority form (included in this PDS). By providing your bank account details in this section, you authorise Colonial First State to use these details for all future transaction requests that you nominate.

BANK ACCOUNT 1

Please provide your account details in this section if you have requested us to debit or credit your bank account.

Name of Australian financial institution

Branch name

Branch number (BSB)

Account number

Name of account holder

BANK ACCOUNT 2

Only complete your account details in this section if you would like your **regular investment plan** debited from a **different** bank account.

Name of Australian financial institution

Branch name

Branch number (BSB)

Account number

Name of account holder

5. INCOME DISTRIBUTION

A nomination in this section overrides any previous nominations. Distributions will be reinvested unless otherwise stated. Cross (X) one box only.

How would you like your income distributions to be paid?

Reinvested in the option

Credit to my/our bank account

*Make sure you also complete your bank account details above in **section 4**.*

PART B – YOUR INVESTMENT

6. INTERNAL TRANSFER DETAILS

I would like to transfer funds from my existing CFS account number

I would like to transfer the entire balance. I understand that doing this will close my existing account.

OR

I would like to retain a balance in my existing CFS account

Please transfer exactly \$. to open this new account

OR

Please transfer the balance leaving exactly \$. in my above mentioned existing account

Please leave the remaining funds invested in the following investment allocation:

If no investment allocation is indicated, we will leave the balance in your current weightings.

8. INVESTMENT ALLOCATION (CONTINUED)

Option name	Option CODE	Initial or additional investments %	Regular investment plan
FirstChoice Global Share – Hedged	082	□ □ □ □ %	□ □ □ □ %
FirstChoice Asian Share	202	□ □ □ □ %	□ □ □ □ %
FirstChoice Emerging Markets	233	□ □ □ □ %	□ □ □ □ %
FirstChoice Geared Boutique Australian Share	206	□ □ □ □ %	□ □ □ □ %
FirstChoice Multi-Index series			
FirstChoice Multi-Index Conservative	009	□ □ □ □ %	□ □ □ □ %
FirstChoice Multi-Index Balanced	017	□ □ □ □ %	□ □ □ □ %
Single manager options			
Conservative			
Colonial First State Conservative	008	□ □ □ □ %	□ □ □ □ %
Perpetual Conservative Growth	010	□ □ □ □ %	□ □ □ □ %
Moderate			
Colonial First State Balanced	012	□ □ □ □ %	□ □ □ □ %
ING Balanced	013	□ □ □ □ %	□ □ □ □ %
Perpetual Diversified Growth	014	□ □ □ □ %	□ □ □ □ %
Growth			
BT Active Balanced	018	□ □ □ □ %	□ □ □ □ %
Colonial First State Diversified	016	□ □ □ □ %	□ □ □ □ %
ING Tax Effective Income	080	□ □ □ □ %	□ □ □ □ %
Perpetual Balanced Growth	019	□ □ □ □ %	□ □ □ □ %
High growth			
Colonial First State High Growth	024	□ □ □ □ %	□ □ □ □ %
Perpetual Split Growth	025	□ □ □ □ %	□ □ □ □ %
Cash and deposits			
Colonial First State Cash	003	□ □ □ □ %	□ □ □ □ %
FirstRate Saver ¹	800	□ □ □ □ %	□ □ □ □ %
FirstRate Term Deposit – 3 month ¹ – available from 13 July 2009	810	□ □ □ □ %	
FirstRate Term Deposit – 6 month ¹ – available from 13 July 2009	811	□ □ □ □ %	
FirstRate Term Deposit – 9 month ¹ – available from 13 July 2009	812	□ □ □ □ %	
FirstRate Term Deposit – 12 month ¹ – available from 13 July 2009	813	□ □ □ □ %	

¹ FirstRate Saver and FirstRate Term Deposits are deposit products of Commonwealth Bank of Australia, refer to section 5 – FirstRate Saver and FirstRate Term Deposits on pages 19 to 24.

8. INVESTMENT ALLOCATION (CONTINUED)

Option name	Option CODE	Initial or additional investments %	Regular investment plan
Fixed interest and income			
Colonial First State Diversified Fixed Interest	004	%	%
Colonial First State Global Credit Income	056	%	%
Deutsche Australian Bond	006	%	%
ING Diversified Fixed Interest	254	%	%
Macquarie Income Opportunities	252	%	%
Enhanced yield			
Acadian Quant Yield	236	%	%
Colonial First State Enhanced Yield	073	%	%
Goldman Sachs JBWere Income Plus	072	%	%
PM Capital Enhanced Yield	064	%	%
Schroder Hybrid Securities	057	%	%
Property and infrastructure securities			
BT Property Investment	045	%	%
Challenger Property Securities	212	%	%
Colonial First State Index Property Securities	067	%	%
Colonial First State Property Securities	043	%	%
Goldman Sachs JBWere Australian Infrastructure	235	%	%
Principal Property Securities	066	%	%
RREEF Property Securities	044	%	%
Global property and infrastructure securities			
Colonial First State Colliers Global Property Securities	068	%	%
Colonial First State Global Listed Infrastructure Securities	226	%	%
Australian share			
Barclays Australian Share	052	%	%
BlackRock Australian Share	032	%	%
BT Core Australian Share	034	%	%
Challenger Australian Share	065	%	%
Challenger Australian Share Income	234	%	%

8. INVESTMENT ALLOCATION (CONTINUED)

Option name	Option CODE	Initial or additional investments %	Regular investment plan
Colonial First State Alpha Plus – Core	231	%	%
Colonial First State Australian Share – Core	026	%	%
Colonial First State Equity Income	232	%	%
Colonial First State Imputation	027	%	%
Colonial First State Index Australian Share	028	%	%
Fidelity Australian Equities	078	%	%
ING Australian Share	030	%	%
Maple-Brown Abbott Imputation	031	%	%
Perpetual Industrial Share	033	%	%
Realindex RAFI Australian Share	241	%	%
Schroder Australian Equity	035	%	%
Australian share – boutique			
Acadian Australian Equity	077	%	%
Acadian Australian Equity Long Short	075	%	%
Ausbil Australian Active Equity	029	%	%
452 Australian Share	049	%	%
Integrity Australian Share	048	%	%
Investors Mutual Australian Share	054	%	%
Lodestar Australian Absolute Return	253	%	%
Perennial Value Australian Share	055	%	%
PM Capital Australian Share	053	%	%
Australian share – small companies			
Ausbil Australian Emerging Leaders	211	%	%
Colonial First State Future Leaders	061	%	%
Realindex RAFI Australian Small Companies	242	%	%
Souls Australian Small Companies	070	%	%
Global share			
Acadian Global Equity	069	%	%
AXA Global Equity – Value	058	%	%

8. INVESTMENT ALLOCATION (CONTINUED)

Option name	Option CODE	Initial or additional investments %	Regular investment plan
BT Core Global Share	042	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %
Capital International Global Share	040	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %
Colonial First State Global Share	037	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %
Colonial First State Index Global Share	038	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %
Colonial First State Index Global Share – Hedged	071	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %
DWS Global Equity Thematic	238	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %
MFS Global Equity	039	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %
Perpetual International	041	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %
Realindex RAFI Global Share	243	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %
Realindex RAFI Global Share Hedged	244	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %
Global share – specialist			
Acadian Global Equity Long Short	203	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %
Colonial First State Global Resources	036	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %
Generation Global Sustainability	230	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %
Goldman Sachs JBWere Global Small Companies	059	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %
Platinum International	050	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %
PM Capital Absolute Performance	081	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %
Geared			
Acadian Geared Global Equity	207	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %
Colonial First State Colliers Geared Global Property Securities	208	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %
Colonial First State Geared Global Share	047	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %
Colonial First State Geared Share	046	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %
452 Geared Australian Share	062	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> %
TOTAL		1 0 0 %	1 0 0 %

Cross (X) this box if you would like to increase your regular investment plan amount in line with inflation (CPI) each year.



9. FIRSTCHOICE MARGIN LENDING – NEW INVESTORS ONLY (CONTINUED)

REGULAR LOAN DRAWDOWN DETAILS

To set up a regular loan drawdown, you must have specified a regular investment plan amount in **section 8**. The maximum regular loan drawdown amount will be based on the amount and allocation of your regular investment plan. Your regular loan drawdown will be invested in line with the allocations of your regular investment plan.

Regular loan drawdown amount \$

INTEREST PAYMENT DETAILS

If you are paying by direct debit, ensure you complete your bank account details in **section 4**. Interest will be capitalised unless otherwise stated. Cross (X) one box only.

Payment of interest

Direct debit from your nominated bank account Capitalise to your variable rate loan

NOMINATE YOUR CREDIT LIMIT (MANDATORY FOR MARGIN LOAN)

You must nominate a credit limit if you are setting up a margin loan. Your credit limit should consider your initial loan drawdown amount, regular loan drawdowns and capitalisation of interest. Nominate a limit that is the maximum amount you anticipate you may want to borrow over the life of the loan.

Please nominate the credit limit you would like to set on your loan by selecting or specifying an amount below:

\$20,000 \$50,000 \$100,000
 \$250,000 \$500,000 or specify: \$

PART D – OTHER INFORMATION

10. AUTO-REBALANCING FACILITY

Please cross (X) the boxes below to indicate if you want your investment selection above to be applied to auto-rebalance your account. If you invest in FirstRate Term Deposits, this facility is not available. If you make no frequency selection, we will rebalance your portfolio annually. Before taking up this facility, refer to page 34.

Establish auto-rebalancing facility Please complete the frequency for your account

Frequency	Annually	<input type="checkbox"/>
	Quarterly	<input type="checkbox"/>

11. ONLINE SERVICES

Please note that you will be automatically granted access to manage your investment over the internet through FirstNet and by telephone through FirstLink. Online access is provided under the terms and conditions provided on page 38.

Please cross (X) this box if you **do not** wish to have online access to your investment.

Please note: If you want your adviser to transact on your behalf, you will be automatically updated to full transaction access on your account via FirstNet, if you do not already have this level of access.

12. COMMUNICATION PREFERENCES

If you have provided your email address in **section 3**, we will use this address to provide you with information about your investments (such as transaction confirmations, statements, reports and other materials). Please refer to page 17 for further details. If you would prefer to receive your information in another way, please advise below.

Communication type	Preferences		
Statements/confirmations	Email <input type="checkbox"/>	Mail <input type="checkbox"/>	
iQ Magazine	Email <input type="checkbox"/>	Mail <input type="checkbox"/>	
Promotional communications	Email <input type="checkbox"/>	Mail <input type="checkbox"/>	Opt out <input type="checkbox"/>

These preferences will be applied to **all** your accounts (including any joint accounts). Cross (X) here if you **do not** wish this to occur.

13. ADVISER SERVICE FEE

ONGOING FEE

Complete this section only if you have agreed with your financial adviser to have an ongoing adviser service fee deducted. Refer to page 12 for details.

Investment option from which the fee is to be deducted. Indicate one option only.

Option **CODE** (refer to pages 64 to 68)

OR FirstChoice margin loan – variable rate (if applicable)

Adviser service fee including GST

% per annum **OR** \$ **per month**

ONE-OFF FEE

Complete this section only if you have agreed with your financial adviser to have a one-off adviser service fee deducted. Refer to page 12 for details.

Investment option from which the fee is to be deducted. Indicate one option only.

Option **CODE** (refer to pages 64 to 68)

OR FirstChoice margin loan – variable rate (if applicable)

Adviser service fee including GST

\$

If no option or more than one option or an invalid option is nominated, we will deduct this fee from the first option invested in, as outlined on page 43.

We recommend you do not nominate FirstRate Term Deposits for deduction of any adviser service fees, as that will create early withdrawals.

14. MANAGEMENT COST REBATE

Select the investment option to which any management cost rebate (adviser trail rebate and portfolio rebate) that may be applicable is to be credited. Indicate one option only.

Option **CODE** (refer to pages 64 to 68)

OR FirstChoice margin loan – variable rate (if applicable)

If no option or more than one option or an invalid option is nominated, we will credit this rebate to the first non-Cash option invested in, as outlined on page 43.

PART E – DECLARATION

15. DECLARATION AND SIGNATURE

I/We declare and agree that:

- I/we have read Parts 1 and 2 of this PDS to which this application applies and have received and accepted the offer in it in Australia
- my/our application is true and correct
- I am/we are bound by the relevant product provider's terms and conditions and provisions (as amended) contained in the PDS and the relevant Constitutions for the options that are selected or in which I am/we are invested
- I/we have legal power to invest
- my/our adviser will receive the payments detailed in the PDS and this application form including via redemption of units from my/our investment
- if I/we have received this PDS from the internet or other electronic means that I/we received it personally or a printout of it, accompanied by or attached to this application form
- if this is a joint application, each of us agrees, unless otherwise indicated on this application or relevant option's terms and conditions, our investment is as joint tenants. Each of us is able to operate the account and bind the other(s) to any transaction including investments, switches or withdrawals by any available method
- this application is not because of an unsolicited meeting with or telephone call from another person
- future investments will be made in line with the most recent transaction (excluding FirstRate Term Deposits and/or regular investment plan) unless I/we instruct you otherwise
- if investing as trustee, on behalf of a superannuation fund or trust I/we confirm that I am/we are acting in accordance with my/our designated powers and authority under the trust deed. In the case of superannuation funds, I/we also confirm that it is a complying fund under the Superannuation Industry (Supervision) Act 1993
- Colonial First State and/or its related entities will not be liable to me/us or other persons for any loss suffered (including consequential loss) in circumstances where transactions are delayed, blocked, frozen or where Colonial First State and/or its related entities refuses to process a transaction or ceases to provide me/us with a product or service.

15. DECLARATION AND SIGNATURE (CONTINUED)

I/We acknowledge that:

- other than FirstRate Saver and FirstRate Term Deposits, which are deposit products of Commonwealth Bank of Australia, investments in the options are not investments, deposits or other liabilities of the Commonwealth Bank of Australia 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 Colonial First State nor the Commonwealth Bank of Australia or its subsidiaries guarantee the repayment of capital or the performance of the options or any particular rate of return from the options.

Additional Declaration applying only to FirstChoice Margin Lending

Commonwealth Bank of Australia is the lender to the FirstChoice Margin Lending facility and has appointed Colonial First State to collect information, issue loan approvals, administer and otherwise deal with matters relating to this facility.

I/We declare that:

- (a) all the information I/we have given you is correct and not misleading, and
- (b) I/we have not withheld any information which might have caused you not to enter into this agreement, and
- (c) I/we do not breach any law or obligation to another person by entering into this agreement, and
- (d) my/our obligations under this agreement are valid and binding and I/we benefit by entering into them.

These declarations are of a continuing nature. I/We agree to tell you immediately if anything I/we have declared becomes untrue or impossible.

I/We authorise you:

- (a) to give a credit reporting agency certain personal information about me/us including the fact that I/we have applied for credit and the amount, any payments which become overdue more than 60 days and, in specified circumstances, that in your opinion I/we have committed a serious credit infringement
- (b) to obtain from a credit reporting agency information relating to my/our commercial credit activities and a credit report containing personal and credit information about me/us to assess this application or for the purpose of collecting overdue payments in respect of any credit which you have provided to me/us
- (c) to give to and obtain from any credit provider named in a credit report issued by a credit reporting agency or a commercial reporting agency respectively information about my/our credit arrangements including my/our creditworthiness, credit standing, credit history and credit capacity. The information may be given and used for purposes that include assessing an application by me/us for credit, assisting me/us in avoiding defaulting on my/our credit obligations, notifying other credit providers of a default by me/us, assessing my/our creditworthiness, and, where the information is given to participants in a securitisation scheme, assessing the risk in purchasing any loan given to or applied for by me/us and/or the risk in undertaking credit enhancement of any such loan, and
- (d) when you are performing tasks reasonably necessary to the provision and management of securitised loans, to obtain from a credit reporting agency a credit report containing personal credit information about me/us for the securitisation purpose permitted by Section 18E(1)(b)(ia) of the Privacy Act 1988.

Risk Disclosure Statement

I/We have read the information on page 25 of the PDS regarding the additional risks involved with FirstChoice Margin Lending.

Purpose Declaration

By signing below, I/we declare that the credit to be provided to me/us by Commonwealth Bank of Australia is to be applied wholly or predominantly for business or investment purposes (or for both purposes).

Adviser Online Transaction Authority

If I/we have an active Adviser Online Transaction Authority, by signing below, I/we declare that I am/we are instructing Colonial First State to extend that authority to include FirstChoice Margin Lending transactions and any modifications to the loan details.

15. DECLARATION AND SIGNATURE (CONTINUED)

Prior to its completion and signing, this application must not be handed to any person unless accompanied by the PDS. Colonial First State – FirstChoice Investments is offered by Colonial First State Investments Limited ABN 98 002 348 352 AFS Licence 232468.

Joint applicants must both sign.

Signature of investor 1 or company officer

Signature box for investor 1 or company officer containing a large 'X' indicating where to sign.

Print name

Print name grid for investor 1 or company officer, consisting of two rows of 20 boxes each.

Date

Date grid for investor 1 or company officer, consisting of boxes for day, month, and year.

Signature of investor 2 or company officer

Signature box for investor 2 or company officer containing a large 'X' indicating where to sign.

Print name

Print name grid for investor 2 or company officer, consisting of two rows of 20 boxes each.

Date

Date grid for investor 2 or company officer, consisting of boxes for day, month, and year.

- If this application is signed under a Power of Attorney, the Attorney declares that he/she has not received notice of revocation of that power (a certified copy of the Power of Attorney should be submitted with this application unless we have already sighted it). The Attorney will also need to complete a power of attorney identification form which can be obtained from our forms library at colonialfirststate.com.au or by phoning Investor Services on 13 13 36.
- Sole signatories signing on behalf of a company confirm that they are signing as sole director and sole secretary of the company.

Please send the completed form to:
Colonial First State
Reply Paid 27, Sydney NSW 2001

Colonial First State Direct Debit Authority Form



Please phone Colonial First State Investor Services on **13 13 36** with any enquiries.

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

All account holders must complete **sections 1 and 2**. If a third party is authorising the account holder(s) (shown in **section 1**) to debit their bank account, the third party must complete **section 2** and sign below.

1. ACCOUNT HOLDER(S)

Please provide your name(s) and/or account number below:

Account number

INVESTOR 1 (individual accounts)

Title

Mr Mrs Miss Ms Other

Given name(s)

Surname

Contact phone number

INVESTOR 2 (joint accounts)

Title

Mr Mrs Miss Ms Other

Given name(s)

Surname

Contact phone number

COMPANY/PARTNERSHIP (if applicable)

Name of company or partnership

Name of contact person

2. ACCOUNT HOLDER(S) OR THIRD PARTY

I/We authorise Colonial First State Investments Limited (011802), until further notice in writing to arrange for funds to be debited from my/our account, at the financial institution identified as described in the schedule below, any amounts which Colonial First State may debit or charge me/us through the Direct Debit System.

Please note: Third party bank accounts cannot be used for transacting online without authorisation and signatures from all account holders.

THE SCHEDULE (ACCOUNT TO BE DEBITED)

Name of Australian financial institution

Branch name or address

Branch number (BSB) - Account number

Name of account holder

Please update the following services with my new bank account details. **Please tick the appropriate box(es):**

Regular Investment Plan Regular Withdrawal Plan Online Services

Please note: By providing bank details in this section you authorise Colonial First State to retain these details for all future transaction requests that you nominate. Please see the terms and conditions in the current Product Disclosure Statement.

FirstChoice Investments Set Up FirstChoice Margin Lending Form – existing investors



Please phone Colonial First State Investor Services on **13 13 36** with any enquiries.

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

Fields marked with an asterisk (*) **must** be completed for the purposes of anti-money laundering laws. You will also need to complete the identification and verification form on page 59.

1. INVESTOR DETAILS (EXISTING INVESTORS ONLY)

FirstChoice Investments account number:

0 7 0

INVESTOR 1 (individual accounts)

Title

Mr Mrs Miss Ms Other

Full given name(s)*

Surname*

Date of birth*

Occupation*

Your main country of residence, if not Australia*

Residential address (PO Box is NOT acceptable) – Investor 1*

Unit number Street number Street name

Suburb State Postcode

Country

Residential address (PO Box is NOT acceptable) – Investor 2 (if applicable and different to above)*

Unit number Street number Street name

Suburb State Postcode

Country

Postal address (if different to above)

Unit number Street number PO Box Street name

Suburb State Postcode

Country

Work phone number Home phone number Fax number Mobile phone number

Email address

2. FIRSTCHOICE MARGIN LENDING

Complete this section if you wish to establish FirstChoice Margin Lending on your FirstChoice Investments account. If you complete this section and are approved for FirstChoice Margin Lending, you will be bound by the terms and conditions on pages 29 to 32.

INITIAL MARGIN LOAN DRAWDOWN DETAILS

You can request to draw down and invest an additional amount in your FirstChoice account or cash drawdown subject to your nominated credit limit and maximum loan. Refer to page 27 to calculate your maximum loan. For information on the different loans that are available refer to page 31. Make a selection from below:

Variable rate loan only Amount: \$

This will draw down the amount you request and invest it as soon as your loan is approved.

OR

Important information on fixed rate loans

Only complete this section during the Fixed Rate Loan Offer period (generally **May – June**). You should read and understand the important dates and interest rate details of the Fixed Rate Loan Offer before selecting a fixed rate loan. These are available from our website or by contacting us.

Fixed rate loan only (for commencement 30 June) Amount: \$

We will draw down the amount you request as per the details of the Fixed Rate Loan Offer.

OR

Variable and fixed rate loans

We will draw down the total loan amount you request as a variable rate loan now. On 30 June, the amount you request to be fixed will move to the fixed rate loan.

Total loan drawdown: \$ (fixed and variable amounts)

Amount to be fixed on 30 June: \$

OR

Do not draw down loan (go to ‘Regular loan drawdown details’ section)

We will establish FirstChoice Margin Lending for you to draw down at a later date.

INVESTING YOUR INITIAL MARGIN LOAN DRAWDOWN

Make a selection from below:

Invest my loan proceeds in the investment options specified below.

Option CODE (refer to pages 48 to 52)	Invest your loan proceeds	OR	%
<input type="text"/> <input type="text"/> <input type="text"/>	\$ <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<input type="checkbox"/>	<input type="text"/> <input type="text"/> %
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<input type="text"/> <input type="text"/> <input type="text"/>	\$ <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<input type="checkbox"/>	<input type="text"/> <input type="text"/> %
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OR

Cash drawdown to my nominated bank account in **section 3**.

2. FIRSTCHOICE MARGIN LENDING (CONTINUED)

REGULAR LOAN DRAWDOWN DETAILS

You must have a regular investment plan established to set up a regular loan drawdown. Your regular loan drawdown amount is based on the maximum you can borrow to invest your regular capital investment amount. Your regular loan drawdown will be invested in line with the allocations of your regular investment plan.

Regular loan drawdown amount \$

INTEREST PAYMENT DETAILS

If you are paying by direct debit, ensure you complete your bank account details in **section 3**. Interest will be capitalised unless otherwise stated. Cross (X) one box only.

Payment of interest

Direct debit from your nominated bank account Capitalise to your variable rate loan

NOMINATE YOUR CREDIT LIMIT (MANDATORY FOR MARGIN LOAN)

You must nominate a credit limit if you are setting up a margin loan. Your credit limit should consider your initial loan drawdown amount, regular loan drawdowns and capitalisation of interest. Nominate a limit that is the maximum amount you anticipate you may want to borrow over the life of the loan.

Please nominate the credit limit you would like to set on your loan by selecting or specifying an amount below:

\$20,000 \$50,000 \$100,000
\$250,000 \$500,000 or specify: \$

3. BANK ACCOUNT DETAILS

This bank account will be used for your interest payments or cash drawdown proceeds as instructed in **section 2**. This form can only be used to nominate an account which is held in your name(s). If you wish to make investments from a nominated account in a different name, it will be necessary for you to use a separate direct debit authority form. Please refer to page 75.

Name of Australian financial institution

Branch name

Branch number (BSB)

-

Account number

Name of account holder(s)

4. DECLARATION AND SIGNATURE

I/We declare and agree that:

- I/we have read Parts 1 and 2 of this PDS to which this application applies and have received and accepted the offer in it in Australia
- my/our application is true and correct
- I am/we are bound by the relevant product provider's terms and conditions and provisions (as amended) contained in the PDS and the relevant Constitutions for the options that are selected or in which I am/we are invested
- I/we have legal power to invest
- my/our adviser will receive the payments detailed in the PDS and this application form including via redemption of units from my/our investment
- if I/we have received this PDS from the internet or other electronic means that I/we received it personally or a printout of it, accompanied by or attached to this application form
- if this is a joint application, each of us agrees, unless otherwise indicated on this application or relevant option's terms and conditions, our investment is as joint tenants. Each of us is able to operate the account and bind the other(s) to any transaction including investments, switches or withdrawals by any available method
- this application is not because of an unsolicited meeting with or telephone call from another person
- future investments will be made in line with the most recent switch or investment transaction (excluding regular investment plan) unless I/we instruct you otherwise
- Colonial First State and/or its related entities will not be liable to me/us or other persons for any loss suffered (including consequential loss) in circumstances where transactions are delayed, blocked, frozen or where Colonial First State and/or its related entities refuses to process a transaction or ceases to provide me/us with a product or service.

I/We acknowledge that:

- other than FirstRate Saver and FirstRate Term Deposits, which are deposit products of Commonwealth Bank of Australia, investments in the options are not investments, deposits or other liabilities of the Commonwealth Bank of Australia 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 Colonial First State nor the Commonwealth Bank of Australia or its subsidiaries guarantee the repayment of capital or the performance of the options or any particular rate of return from the options.

Additional Declaration applying only to FirstChoice Margin Lending

Commonwealth Bank of Australia is the lender to the FirstChoice Margin Lending facility and has appointed Colonial First State to collect information, issue loan approvals, administer and otherwise deal with matters relating to this facility.

I/We declare that:

- (a) all the information I/we have given you is correct and not misleading, and
- (b) I/we have not withheld any information which might have caused you not to enter into this agreement, and
- (c) I/we do not breach any law or obligation to another person by entering into this agreement, and
- (d) my/our obligations under this agreement are valid and binding and I/we benefit by entering into them.

These declarations are of a continuing nature. I/We agree to tell you immediately if anything I/we have declared becomes untrue or impossible.

I/We authorise you:

- (a) to give a credit reporting agency certain personal information about me/us including the fact that I/we have applied for credit and the amount, any payments which become overdue more than 60 days and, in specified circumstances, that in your opinion I/we have committed a serious credit infringement
- (b) to obtain from a credit reporting agency information relating to my/our commercial credit activities and a credit report containing personal and credit information about me/us to assess this application or for the purpose of collecting overdue payments in respect of any credit which you have provided to me/us
- (c) to give to and obtain from any credit provider named in a credit report issued by a credit reporting agency or a commercial reporting agency respectively information about my/our credit arrangements including my/our creditworthiness, credit standing, credit history and credit capacity. The information may be given and used for purposes that include assessing an application by me/us for credit, assisting me/us in avoiding defaulting on my/our credit obligations, notifying other credit providers of a default by me/us, assessing my/our creditworthiness, and, where the information is given to participants in a securitisation scheme, assessing the risk in purchasing any loan given to or applied for by me/us and/or the risk in undertaking credit enhancement of any such loan, and
- (d) when you are performing tasks reasonably necessary to the provision and management of securitised loans, to obtain from a credit reporting agency a credit report containing personal credit information about me/us for the securitisation purpose permitted by Section 18E(1)(b)(ia) of the Privacy Act.

4. DECLARATION AND SIGNATURE (CONTINUED)

Risk Disclosure Statement

I/We have read the information on page 25 of the PDS regarding the additional risks involved with FirstChoice Margin Lending.

Purpose Declaration

By signing below, I/we declare that the credit to be provided to me/us by Commonwealth Bank of Australia is to be applied wholly or predominantly for business or investment purposes (or for both purposes).

Adviser Online Transaction Authority

If I/we have an active Adviser Online Transaction Authority, by signing below, I/we declare that I am/we are instructing Colonial First State to extend that authority to include FirstChoice Margin Lending transactions and any modifications to the loan details.

Prior to its completion and signing, this application must not be handed to any person unless accompanied by the PDS. Colonial First State – FirstChoice Investments is offered by Colonial First State Investments Limited ABN 98 002 348 352 AFS Licence 232468.

Joint applicants must both sign.

Signature of investor 1

X

Print name

Date

Signature of investor 2

X

Print name

Date

→ If this application is signed under a Power of Attorney, the Attorney declares that he/she has not received notice of revocation of that power (a certified copy of the Power of Attorney should be submitted with this application unless we have already sighted it). The Attorney will also need to complete a power of attorney identification form which can be obtained from our forms library at colonialfirststate.com.au or by phoning Investor Services on 13 13 36.

Please send the completed form to:

Colonial First State
Reply Paid 27, Sydney NSW 2001

Interests of the directors of the responsible entity

Directors may receive a salary as employees of the Bank and from time to time may hold interests in shares in the Bank or investments in the fund.

This PDS has been authorised by our directors.

Colonial First State offices:

Sydney (Head Office)

Level 29
52 Martin Place
Sydney NSW 2000

Melbourne

Level 1
385 Bourke Street
Melbourne VIC 3000

Brisbane

Level 5
240 Queen Street
Brisbane QLD 4000

Perth

Level 4
55 St Georges Terrace
Perth WA 6000

Adelaide

Level 4
100 King William Street
Adelaide SA 5000



This product is made from fibre that has been farmed from sustainable plantations. This product is also recyclable.

About Colonial First State

Colonial First State has been helping Australians with their investment needs since 1988. As Australia's largest investment and superannuation manager we have many strong hands on deck, with over 2,000 staff working for our investors. So you can feel confident we're well placed to help you reach your investment goals.

Our products

Colonial First State provides investment, superannuation and pension products to individual, corporate and superannuation fund investors. Our investment management expertise spans Australian and global shares, property, fixed interest and credit, cash and infrastructure.

In addition, our FirstChoice product offers over 105 investment options. Some are managed by us – and others by well-known investment managers and specialist boutique managers. The wide investment choice is combined with a competitive fee structure.

The Colonial First State Group currently manages or administers more than \$140 billion globally.

Our service

Service is the heart of our business – we've made it simple for you to keep track of your investments, however you like to communicate – online, over the phone, in person or by mail. And because we choose our customer service people carefully, there will be someone friendly and informative waiting to respond.

Our people

At Colonial First State, we never lose sight of the fact that we are responsible for other people's money. We make it our priority to deliver the kind of investment experience we'd like ourselves. It's a big part of the reason many of the people who work for Colonial First State are also investors.

Our awards

Colonial First State's consistent, disciplined approach to investing has been recognised by many awards within the investment management industry. But it isn't our style to rest on our laurels – every day across our business, our focus is on delivering quality performance, great service and industry-leading products.

Please mail completed forms to:

Colonial First State
Reply Paid 27
Sydney NSW 2001

Enquiries:

New investors	1300 360 645
Existing investors	13 13 36
Advisers	13 18 36
Facsimile	(02) 9303 3200
Email	contactus@colonialfirststate.com.au
Website	colonialfirststate.com.au