



Wholesale Australian Property Fund

Product Disclosure Statement

Issued: 30 January 2015
Issued by National Mutual Funds Management Ltd
ABN 32 006 787 720
AFSL 234652

AMPCAPITAL 

Wholesale Australian Property Fund

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Investment manager	AMP Capital Investors Limited (ABN 59 001 777 591, AFSL 232497)
ARSN	088 996 392
APIR code	NML0001AU

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Important information

The Wholesale Australian Property Fund (the Fund) is a managed investment scheme structured as a unit trust and registered under the Corporations Act 2001 (Cwlth), referred to in this PDS as 'the Corporations Act'.

The Responsible Entity of the Fund and issuer of this PDS is National Mutual Funds Management Ltd, referred to in this PDS as 'the Responsible Entity'. The Responsible Entity is a member of the AMP Group, which includes AMP Capital Investors Limited (AMP Capital). In this PDS, AMP Capital is referred to as 'we' or 'us'.

The Fund is subject to investment risks, which could include delays in repayment, and loss of income and capital invested. No company in the AMP Group, Mitsubishi UFJ Trust and Banking Corporation (MUTB), a leading Japanese trust bank with whom AMP Capital has a strategic and capital alliance, or any investment manager assumes any liability to investors in connection with investment in the Fund or guarantees the performance of any obligations to investors, or of the Responsible Entity, the performance of the Fund or any particular rate of return. The repayment of capital is not guaranteed. Investments in the Fund are not deposits or liabilities of any company in the AMP Group, MUTB, or of any investment manager.

Where the Fund has more than 100 unitholders it is subject to regular reporting and disclosure obligations under the Corporations Act. Copies of documents lodged with the Australian Securities and Investments Commission (ASIC) in relation to the Fund may be obtained from, or inspected at, an ASIC office or can be obtained by contacting us on 131 737. These documents may include:

- the Fund's annual financial report most recently lodged with ASIC
- the Fund's half year financial report lodged with ASIC (after the lodgement of the annual financial report and before the date of this PDS), and

Where the Fund has continuous disclosure obligations, the Responsible Entity will meet those obligations by publishing material information online at www.ampcapital.com.au.

The offer in this PDS is available only to eligible persons as set out in this PDS, who receive the PDS (including electronically) within Australia. Applications can only be accepted if signed and delivered from within Australia. Payments in cash will not be accepted.

This offer is subject to the terms and conditions described in this PDS. AMP Capital and the Responsible Entity reserve the right to change these terms and conditions (see 'Changes to the information in this PDS' on page 21) and to refuse or reject an application (in whole or in part).

Unless otherwise specified, all dollar amounts in this PDS are Australian dollars.

Terminology used in this document, for example 'market value' and 'net asset value', may not necessarily be consistent with terminology in the Australian Equivalents to International Financial Reporting Standards which relate to financial statements. This PDS uses terminology commonly accepted in the financial services industry when referring to the calculation of fees and unit prices, which may differ to that used in the Fund's financial statements.

About this Product Disclosure Statement (PDS)

This PDS contains important information about investing in the Wholesale Australian Property Fund (the Fund) and may be used by 'direct investors' including individuals, master trusts or platform operators, and 'indirect investors', that is, investors who are investing through a master trust or platform. Information in this PDS can help investors decide if the Fund meets their investment needs and can help compare the Fund to other funds they may be considering.

The information in this PDS is of a general nature only and does not take into account any investor's personal objectives, financial situation or needs. Consequently, all investors are encouraged to obtain appropriate financial advice before investing, and to consider how appropriate the Fund is to their objectives, financial situation and needs.

About AMP Capital

AMP Capital is committed to delivering outstanding investment outcomes for clients with contemporary solutions in fixed income, equities, real estate, infrastructure and multi-asset portfolios. Sharing a heritage that spans over 160 years, AMP Capital is one of the largest investment managers in the Asia Pacific region. A home strength in Australia and New Zealand has enabled AMP Capital to grow internationally, and operations are now established in Bahrain, China,

Hong Kong, India, Japan, Luxembourg, the United Kingdom and the United States. AMP Capital collaborates with a network of global investment partners, leveraging insights to provide greater access to new investment opportunities across a range of single sector and diversified funds. For more information, please visit: ampcapital.com.au

About the Wholesale Australian Property Fund

Overview

The Wholesale Australian Property Fund, established in 1985, aims to provide investors with income and long term capital growth, through investment in an established and diversified portfolio of Australian office, retail and industrial properties.

The Fund primarily invests in direct property and may also invest in Australian listed property securities, and cash to assist in managing the Fund's return profile and liquidity. The Fund generally targets assets which have high occupancy rates and stable income streams underpinned by leases to long term, secure commercial tenants.

To reduce risk, diversification is achieved through investment in properties with a range of performance and risk profiles, located in different markets throughout Australia.

AMP Capital has been investing in and managing property for over 50 years. The Fund benefits from this experience through access to AMP Capital's property management, development, transactions, debt advisory and investment management teams. The Fund also benefits from the wider resources of AMP Capital, including its broad distribution network. This integrated approach, combined with active asset management and efficient capital management, supports the Fund's objective of providing investors with income and long term capital growth.

Further information about the Fund's investments is provided in 'Fund profile' on page 4.

At a glance

Investment objective	To provide income and long term capital growth.	
Suggested minimum investment timeframe	5 years	
Who can invest?	<ul style="list-style-type: none"> • Direct investors including individuals and joint investors over 18 years of age, superannuation funds and trusts • Indirect investors investing in the Fund through a master trust or platform 	
Minimum investment amounts	Direct investors Initial – \$10,000 Additional – \$5,000	Indirect investors Minimum investment amounts, fees and costs are subject to the arrangements between indirect investors and their financial advisers, master trusts or platform operators.
Management costs	Direct investors <ul style="list-style-type: none"> • Management fee – 0.42% pa of gross asset value plus 4.2% pa of the Fund’s gross income • Performance fees – currently not applicable • Fund expenses – 0.15% pa estimate 	
	See the ‘Fees and other costs’ section of this PDS for other fees and costs that may apply and a worked example of management costs that may be payable in a year. The total amount of fees you will pay will vary depending on the total value of your investment.	
Distribution frequency	The Responsible Entity aims to pay distributions quarterly (see ‘Distributions’ on page 7).	
Withdrawals	<p>The Responsible Entity aims to process withdrawal requests monthly and withdrawal requests will generally be paid within five business days after the specified withdrawal date. Withdrawals will be limited to 5% of the net asset value of the Fund per calendar quarter (although we have discretion to alter this amount).</p> <p>However, the Fund’s constitution allows withdrawal requests to be paid 12 months after the specified withdrawal date or even longer in the circumstances specified in the Fund’s constitution. These circumstances include where the Responsible Entity is unable to realise sufficient assets due to circumstances beyond its control, such as restricted or suspended trading in the market for an asset.</p> <p>The amount of cash available in any month will be affected by a number of factors which include (but are not limited to) the amount of applications and redemptions received in a particular month, outstanding withdrawals from prior months, capital expenditure requirements in the property portfolio, the availability of debt and acquisitions and/or divestments of properties or property securities.</p> <p>Where the amount of funds available for meeting withdrawal requests is not sufficient to fully meet all withdrawal requests relating to a specified withdrawal date, withdrawal amounts may be paid in part. Where withdrawals are paid in part, the outstanding unpaid amount will be paid once sufficient cash is available to meet withdrawal requests relating to the specified withdrawal date and may be paid in priority to withdrawal requests subsequently received by the Responsible Entity. Investors should be aware that withdrawal requests can only be processed and met while the Fund is liquid.</p> <p>The Fund’s liquidity position will be monitored. In the event that the Fund is not able to meet withdrawal requests in part or in full or if the Fund is declared illiquid, the Responsible Entity will as soon as practicable communicate how it plans to meet withdrawal requests in the future. This communication will include the steps to be taken over the next 12 months and the expected liquidity position during this time. This may involve raising equity from new investors, utilising existing cash, increasing the level of debt, selling property securities, selling direct property or undertaking a combination of these measures. Quarterly updates will be provided until such time as monthly processing of withdrawal requests resumes.</p> <p>You should carefully read ‘Risks of investing’ on page 8 and ‘Accessing your money’ on page 22. It is essential that you understand the withdrawal arrangements and restrictions for the Fund.</p>	
ASIC benchmarks and disclosure principles	ASIC has released benchmarks and disclosure principles to assist investors in comparing risks and returns across investments in the unlisted property sector (see ‘Fund Profile’ on page 4).	

See the ‘Fund profile’ section of this PDS for more detailed information about the Fund.

Benefits of investing in the Fund

The Fund provides investors with:

Access to a diversified portfolio of commercial property investments

The Fund provides investors with indirect ownership of an established portfolio of office, retail and industrial assets with a focus on income returns and potential for capital growth. The portfolio is well-diversified with investments located in different markets throughout Australia and a large tenant base comprised of corporate and government tenants.

Access to a low debt fund which allows investors to choose when they invest

The Fund offers investors a means of owning commercial property through an investment vehicle with low debt. The open-ended structure allows investors to choose when they invest in the Fund and, whilst the Fund is liquid, investors may lodge a withdrawal request if they wish to redeem their investment.

AMP Capital’s specialist property knowledge and broad investment expertise

AMP Capital has a track record in property investment which can be traced back over 50 years. Investors in the Fund benefit from specialist teams with expertise in investment research, property management, leasing, capital transactions, development and funds management. A team of state account managers will distribute the Fund throughout Australia.

Investment risks

All investing involves risk, and you should consider investment risks before making an investment decision. The key risks of investing in the Fund include or are associated with:

- property investments – a decrease in the value of an asset may affect the Fund’s returns, and
- share market investments – the value of the Fund’s listed securities may decrease as a result of adverse share market movements.

Risks of investing specific to the Fund may also include or be associated with:

- interest rates
- gearing and the use of debt
- liquidity
- derivatives, and
- fund termination.

The ‘Risks of investing’ section of this PDS provides further information about the risks noted above, as well as information about other investment risks of which you should be aware.

Further information

For direct investors, if you have questions about investing in the Wholesale Australian Property Fund or require further information, please contact our Client Services team on 131 737 between 8.30am and 6.00pm Monday to Friday Melbourne time or alternatively via email at client.inquiry@ampcapital.com. Indirect investors should contact their financial adviser, master trust or platform operator.

Further information about the Fund is also available online at www.ampcapital.com.au. This information may include performance reports.

When reading Fund performance information, please note that past performance is not a reliable indicator of future performance and should not be relied on when making a decision about investing in the Fund.

Fund profile

The Fund's investments

The Fund invests primarily in direct property within Australia, with the ability to also invest in cash and listed property securities. The portfolio is designed taking into account the real estate cycle, regional characteristics, investment opportunities and the liquidity profile of the Fund and its investments. The Fund may also invest in other managed investment schemes or investment companies where it is consistent with the Fund's investment objectives.

The Fund's investments may change from time to time, and are updated regularly online at www.ampcapital.com.au. These updates can also be obtained by contacting us.

The target asset allocation for the Fund is to hold 75% of its assets as direct property, with the balance of 25% allocated across cash and Australian Securities Exchange (ASX) listed property securities, such as Australian Real Estate Investment Trusts (AREITs) and funds which invest predominantly in AREITs. An AREIT is a corporation, or trust, which provides investors with exposure to properties such as shopping centres and other commercial or industrial properties.

Asset allocation

Asset class	Target asset allocation	Asset allocation range
Direct property	75%	50% – 100%
AREITs	25%	0% – 50%
Cash		0% – 50%
TOTAL	100%	–

Asset allocation ranges for the Fund are shown in the table above, and are expressed as a percentage of assets.

The Fund's actual asset allocation may be affected by the number of applications and withdrawals, and the availability and volume of direct property allocations. Consequently, the Fund's actual asset allocation may vary significantly from the target asset allocation range set out in the table above.

If we change the target asset allocation or asset allocation ranges set out in the table above, we will lodge a PDS update notice online on behalf of the Responsible Entity at www.ampcapital.com.au. This updated information can also be obtained by contacting us.

Further information about the Fund's investments, including the Fund's direct property portfolio diversification, is contained in the 'ASIC benchmarks and disclosure principles for the Wholesale Australian Property Fund' document. This document should be read together with the current PDS for the Fund, and is available online at www.ampcapital.com.au (go to the Fund page), or can be obtained free of charge, on request.

Investment guidelines

Factors considered when determining the Fund's asset allocation include:

- the Fund returns
- diversification profile of the Fund
- the capital management strategy of the Fund
- the capital expenditure requirements of the Fund
- the liquidity requirements of the Fund, and
- market conditions – including property markets, capital markets and access to debt and equity.

Asset evaluation

The following outlines the Fund's asset evaluation process.

Initial asset screening

As part of detailed analysis, all assets are reviewed to ensure that there are no obvious obstacles to investing and to confirm that the asset acquisition opportunity fits with the Fund's portfolio and overall investment strategy.

Due diligence

After initial screening, if a property fits into the Fund's portfolio and overall investment strategy due diligence commences. This includes analysis of the asset's financial accounts, management agreements and valuations in order to mitigate potential risks prior to the disposal or acquisition of an asset.

The Property Transaction Committee is made up of the fund manager (the AMP Capital representative who has primary responsibility for overseeing the management of the Fund's assets), and members of the AMP Capital asset management and property transaction teams. This Committee reviews the due diligence findings for the asset and determines whether to make a

recommendation to the Property Investment Committee to proceed with the asset acquisition. The Property Investment Committee is made up of members of AMP Capital's senior property investment team.

Asset plan – transaction phase

Running simultaneously with the due diligence program, the asset and/or development management team formulates a business plan to be implemented immediately upon closing the asset acquisition. The business plan investigates the potential to increase the asset's value through activities such as:

- minor development works such as upgrading the environmental building rating of the investment
- investigating the feasibility of adding to the area of the building or converting low-value space into high-value space, and
- engaging with tenants to determine their interest in extending their lease well in advance of any expiry.

Asset management

Asset management begins with a detailed analysis of each asset in the portfolio and the preparation of a comprehensive business plan for each asset. For new assets, this is conducted simultaneously with due diligence as described above. These plans are formulated annually with quarterly reviews to track progress. The plans include:

- a 10 year discounted cash flow analysis, which adopts the AMP Capital view on market rents and yields in its assumptions
- projected capital expenditure
- a tenancy strategy, comprising a tenancy profile, lease expiry, vacancy forecasts, and opportunities to maximise income and occupancy
- a systematic assessment of property risk, which includes sensitivity to rental growth, discount rates and capital expenditure
- a review of the opportunities to add value through planning gains, minor or major asset development, and
- an investment strategy recommendation, advising whether to buy, sell or hold the asset.

ASIC benchmarks and disclosure principles

ASIC has released benchmarks and disclosure principles to assist investors in comparing risks and returns across investments in the unlisted property sector. The information below provides an overview of the benchmarks and disclosure principles.

Further information on how these benchmarks and principles apply to the Fund is contained in the 'ASIC benchmarks and disclosure principles for the Wholesale Australian Property Fund' document. This document should be read together with the current PDS for the Fund, and is available online at www.ampcapital.com.au (go to the Fund page), or can be obtained free of charge, on request.

- Gearing – indicates the extent to which the Fund is funded by debts (liabilities) (also see 'Gearing' in this section).
- Interest cover – indicates the Fund's ability to meet interest payments from its earnings.
- Interest capitalisation - occurs when accrued or accumulated interest is added to the Fund's loan principal instead of being paid on a regular basis.
- Valuations – information about the Fund's direct property valuation policy, including how often assets are valued.
- Related party transactions – information about transactions involving parties that have a close relationship with the Responsible Entity and the investment manager.
- Distributions – information about the Fund's distribution sources (also see 'Distributions' on page 7).
- Portfolio diversification – information about the Fund's direct property portfolio diversification (also see 'The Fund's investments' on page 4).
- Withdrawal arrangements – information about an investor's withdrawal rights from the Fund, and any withdrawal conditions (also see 'Accessing your money' on page 22).

Gearing

The Fund's capital will be managed conservatively, with low borrowings. Where debt is used, it will be used selectively to fund capital expenditure, investments and withdrawals where appropriate. Normally, debt will range from 0%-15% but at times the Fund may have higher gearing. The maximum amount the Fund may borrow is 25% of gross assets at the time the debt is drawn.

Gearing may incur costs such as the interest paid on outstanding debts and the costs of having the debt facility available. These costs and changes in interest rates may affect the Fund's returns.

Further information about the Fund's use of gearing is contained in the 'ASIC benchmarks and disclosure principles for the Wholesale Australian Property Fund' document. This document should be read together with the current PDS for the Fund, and is available online at www.ampcapital.com.au (go to the Fund page), or can be obtained free of charge, on request.

Derivatives

The Fund may use derivatives, such as swaps, options and futures, with the aim of:

- protecting the Fund against risks such as unfavourable changes in an investment's price brought about by, for example, changes in interest rates, credit risk, equity prices, currencies or other factors, and
- implementing the investment objectives of the Fund.

Swaps used may include an interest rate, currency or equity exchange involving two parties. For example, under an interest rate swap one party is obliged to pay the fixed interest rate to the other party in return for receiving the floating interest rate.

Derivatives will not be used to gear the Fund, or for speculative purposes.

We impose restrictions on the use of derivatives within the Fund and monitor the implementation of these restrictions in accordance with the AMP Capital Derivative Risk Statement, which can be obtained by contacting us.

Ethical policy

Decisions about whether to buy, hold or sell investments are based primarily on economic factors. Environmental, social and ethical considerations and labour standards are not taken into account by us in making these decisions unless we believe these factors may have a material impact on the value of an investment.

We acknowledge that environmental, social and governance (ESG) issues can affect the value and long term performance of investments. Consequently, we indirectly take those factors into account when assessing the economic factors relating to the investments, and accordingly, our decision-making process in the selection, retention and realisation of investments. We do not take ESG factors into account from an ethical standpoint.

Distributions

The Responsible Entity aims to pay distributions quarterly ending 31 March, 30 June, 30 September and 31 December.

Distributions will normally be made within one month after the end of a distribution period and must be made within 60 days. The amount distributed to each unitholder will be based on the number of units held by the unitholder at the end of the distribution period.

The Responsible Entity has a number of discretions and powers with respect to distributions, special distributions and the classification of income or capital. These include:

- The Responsible Entity may decide the classification of any item as being on income or capital account and the extent to which reserves or provisions need to be made.
- The Responsible Entity may keep separate accounts of different categories or sources of income, or deductions or credits for tax purposes.
- The Responsible Entity may at any time distribute any amount of capital or income to Members pro rata according to the number of Units held as at a time decided by the Responsible Entity. The distribution may be in cash or by way of additional Units or both.

Unit prices will normally fall after the end of each distribution period. Consequently, if you invest just before the end of a distribution period, some of your capital may be returned to you as income in the form of a distribution.

Further information about distributions is contained in the 'ASIC benchmarks and disclosure principles for the Wholesale Australian Property Fund' document. This document should be read together with the current PDS for the Fund, and is available online at www.ampcapital.com.au (go to the Fund page), or can be obtained free of charge, on request.

Payment of distributions

Direct investors

You can elect to have your distributions paid directly into an Australian bank or financial institution account, or reinvested in the Fund in the form of additional units. Unless you advise us otherwise when completing your application form, distributions will be automatically reinvested in the Fund. Should you wish to change your distribution choice at some time in the future please advise us in writing.

Distributions paid are based on the income earned by the Fund and the number of units you hold at the end of the distribution period. For example, if you held 100,000 units in the Fund, and the Fund paid a distribution of \$0.02 per unit for a quarter, you would receive \$2,000 (100,000 units x \$0.02 per unit). Please note that the distribution rate will vary for each distribution.

Indirect investors

Distributions will be paid or reinvested in accordance with the instructions received from your financial adviser, master trust or platform operator.

Risks of investing

All investing involves risk

Generally, the higher the expected return, the higher the risk.

Whilst the Fund is managed with the aim of providing competitive investment returns and protecting against risk, you should be aware that the Fund is subject to investment risks, which could include delays in withdrawal repayments, the non-payment of distributions and loss of capital invested. Substantial redemption requests could delay payments of redemptions or result in the Fund being wound up.

Investment risks can affect your financial circumstances in a number of ways, including:

- The stated aims and objectives of the Fund may not be met.
- The amount of any distribution you receive from the Fund may vary or be irregular, which could have an adverse impact if you depend on regular and consistent distributions to meet your financial commitments.
- Your investment in the Fund may decrease in value, which means you may get back less than you invested.
- Your investment in the Fund may not keep pace with inflation, which would reduce the future purchasing power of your money.

The value of your investment in the Fund may be affected by the risks listed in this section and by other risks or external factors such as the state of the Australian and world economies, consumer confidence and changes in government policy, taxation and other laws.

As the risks noted in this section do not take into account your personal circumstances, you should consider the information provided in 'Making an investment decision' at the end of this section, before making a decision about investing or reinvesting in the Fund.

Risks specific to the Fund

Property investments

- The Fund's returns may be affected by factors such as demand in the marketplace by investors for property, the demand by tenants for commercial space, rental income levels, tenants' ability to service rental payments, the supply of new commercial space, capital expenditure and ongoing expenses for maintenance and repairs, costs and losses associated with natural disasters, or other disasters or events outside of our reasonable control, which prevent the normal operation of the Fund's assets.
- The returns from property investments may fluctuate from year to year which means the stability of your capital investment in the Fund is not guaranteed.
- The Fund's direct property investments are generally held over the longer term and considered illiquid, which means that immediate access to your capital investment in the Fund is not guaranteed.
- Selling commercial properties generally takes three to six months and may take longer in a market downturn.

Share market investments

The value of the Fund's listed property securities may decrease as a result of adverse movements in Australian and international share markets.

Share market investments have historically produced higher returns than cash or fixed interest investments over the long term. However, the risk of capital loss exists, especially over the shorter term. Specific risks relating to individual companies include disappointing profits and dividends, and management changes.

Interest rates

Cash and fixed income investments will be impacted by interest rate movements. While capital gains may be earned from fixed income investments in a falling interest rate environment, capital losses can occur in a rising interest rate environment. The risk of capital gain or loss tends to increase as the term to maturity of the investment increases.

Gearing and the use of debt

The Fund and underlying funds and securities in which the Fund invests may use debt, sometimes referred to as ‘gearing’. Risks associated with gearing include:

- gearing magnifies both gains and losses from the Fund’s investments meaning geared funds may experience larger fluctuations in the value of their investments compared with an ungeared portfolio
- changes in interest rates may affect the amount of income available for distribution to investors and/or the capital value of the Fund, and
- financing risk including the Fund’s ability to refinance a debt facility on agreeable terms upon the expiry of the original financing term.

Any debt facility may be unsecured, or it may be secured by way of a charge over the assets of the Fund in favour of the loan provider. Risks associated with the use of a debt facility, and the event of default by the Fund, include:

- the loan provider may take possession of, or sell assets of the Fund
- a loan provider could exercise its rights in respect of the assets of the Fund - any amounts owing to a loan provider may rank before investors’ interests in the Fund, and
- an inability to obtain or refinance the debt facility.

Liquidity

From time to time the Fund is likely to require cash to fund asset acquisitions, capital expenditure or withdrawals. This cash may be obtained from a number of sources including the proceeds from application for units in the Fund by new or existing investors, bank debt, the sale of property securities and direct property sales.

If these sources are not available at the time required, the Fund’s liquidity level may drop which increases the risk that the Fund may not be able to meet withdrawal requests either in part or in full. Furthermore, withdrawals will be limited to 5% of the net asset value of the Fund per calendar quarter (although we have discretion to alter this amount). The Fund’s long-term ability to maintain monthly withdrawals relies on it being able to attract sufficient new applications to offset redemptions.

In addition, if the Fund ceases to be liquid for the purposes of the Corporations Act, the Responsible Entity will not meet withdrawal requests. As at the date of this PDS the Fund is liquid under the current Corporations Act definition of ‘liquid’, where the Responsible Entity reasonably expects that it could sell at least 80% of the Fund’s assets at market value within 12 months. However, the Fund could cease to be liquid if these circumstances change or if the Corporations Act definition of ‘liquid’ changes and the Fund is not able to satisfy that definition.

The Fund’s liquidity position will be monitored. In the event that the Fund is not able to meet withdrawal requests in part or in full or if the Fund is declared illiquid, the Responsible Entity will as soon as practicable communicate how it plans to meet withdrawal requests in the future. This communication will include the steps to be taken over the next 12 months and the expected liquidity position during this time. This may involve raising equity from new investors, utilising existing cash, increasing the level of debt, selling property securities, selling direct property or undertaking a combination of these measures. Quarterly updates will be provided until such time as monthly processing of withdrawal requests resumes.

See ‘Accessing your money’ on page 22 for details about the conditions that apply to withdrawals from the Fund, including:

- the times withdrawal requests can be submitted
- the length of time the Fund may take to pay a withdrawal request, and
- when withdrawals may be cancelled if the Fund ceases to be liquid or in other circumstances.

Derivatives

There are risks of losses to the Fund through the use of derivatives, and where derivatives are used by underlying funds in which the Fund invests. These risks include the risks that:

- the value of a derivative may not move in line with the value of the underlying asset
- a derivative position cannot be reversed
- losses may be magnified, and
- the party on the other side of a derivative contract may default on payments.

Fund termination

In the event the Responsible Entity decides to terminate the Fund, for example due to the Fund becoming illiquid under the Corporations Act, or if applications are insufficient to meet withdrawal requests, all unprocessed withdrawal requests will be cancelled, and it is likely that the Fund's properties will be put on the market and each investor will be returned their share of the sales proceeds (less costs, expenses and fees). Payments will be made over a period of time as sales are completed.

Other risks

Other risks of investing may apply and you should seek appropriate advice before investing.

Making an investment decision

As the risks noted in this section do not take into account your personal circumstances, you should consider the following before making a decision about investing or reinvesting in the Fund:

- **Obtain professional advice** to determine if the Fund suits your investment objectives, financial situation and particular needs.
- **Read** a current Wholesale Australian Property Fund PDS and the current ASIC benchmarks and disclosure principles for the Wholesale Australian Property Fund.
- **Consider** the suggested minimum investment timeframe for the Fund.
- **Regularly review** your investments in light of your investment objectives, financial situation and particular needs.

Fees and other costs

DID YOU KNOW?

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

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

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

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

TO FIND OUT MORE

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

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

Taxes are set out on page 18 of this PDS.

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

Fee amounts in this PDS

Please note that fee amounts shown in this PDS are the fees direct investors are charged when investing through this PDS. If you are an indirect investor (that is, you are investing in the Fund through a master trust or platform), please contact your financial adviser, master trust or platform operator for details of the fee amounts relating to your investment in the Fund.

Table 1

Type of fee or cost	Amount	How and when paid
Fees when your money moves in or out of the Fund		
Establishment fee		
The fee to open your investment.	Nil	Not applicable
Contribution fee		
The fee on each amount contributed to your investment.	Nil	Not applicable
Withdrawal fee		
The fee on each amount you take out of your investment.	Nil	Not applicable
Exit fee		
The fee to close your investment.	Nil	Not applicable
Management costs		
The fees and costs for managing your investment.	Management fee 0.42% pa of gross assets plus 4.2% pa of gross income	Calculated daily on the gross assets and gross income of the Fund. Paid quarterly out of the Fund's assets and reflected in the unit price. The amount of this fee may be negotiable (see 'Differential fees' in this section).
	Performance fee In the future, a performance fee may be payable on underlying funds in which the Fund invests.	If applicable, paid when relevant underlying funds meet specific investment performance targets (see 'Performance fee' in this section). Any performance fee payable will be paid out of the assets of the underlying funds and reflected in the unit price.
	Fund expenses 0.15% pa estimate	This is an estimate (as a percentage of the Fund's gross assets) based on historical data and covers expenses such as valuation fees, legal, tax, accounting and audit, and includes a custody and compliance fee of 0.04% pa payable to the Responsible Entity. Paid out of the Fund's assets as the expenses are incurred and reflected in the unit price.
Service fees*		
Investment switching fee		
The fee for changing funds.	Nil	Not applicable

*** Important**

Advice fees agreed between you and your financial adviser, and other service fees, may apply to your investment in the Fund through this PDS. Advice fees may be in the form of an investment advice fee and/or an ongoing advice fee.

Please refer to 'Payments to financial advisers' in this section for information about the advice fee that may be payable.

'Additional explanation of fees and costs' in this section provides information about other fees such as buy and sell spreads that may also apply to your investment in the Fund.

Additional explanation of fees and costs

Management costs

Management costs are made up of a management fee and Fund expenses. Any management fees charged by underlying funds, including funds managed by us or our associates, are included in the management costs in Table 1; they are not an additional cost to you.

Management fee

The Fund's constitution entitles the Responsible Entity to be paid a management fee. The management fee is charged both on the value of the gross assets of the Fund and the gross income of the Fund. This fee is reflected in the unit price.

Measuring fees and costs

The Fund's management costs can be measured relative to the Fund's gross assets or its net assets. The Fund's management costs are estimated to be approximately 0.95% of gross assets and 1.10% of the Fund's net assets. Management costs as a percentage of net assets, commonly referred to as the indirect cost ratio, will vary depending on the mix of debt and equity held by the Fund. The use of debt and equity may change the level of the Fund's net assets, which changes the percentage of management costs relative to net assets.

Fund expenses

The Fund's constitution entitles the Responsible Entity to be paid a custody and compliance fee for providing custody, administration and registry services and to prepare disclosure documents. The fee is 0.04% per annum, and is calculated daily on the gross assets of the Fund. The fee is paid out of the Fund's assets and reflected in the unit price.

The Fund's constitution entitles the Responsible Entity to be reimbursed from the Fund for any expenses incurred in relation to the proper performance of its duties. In addition to the custody and compliance fee specified in the constitution and outlined above, the Responsible Entity may also incur other expenses relating to the operation of the Fund. These expenses include but are not limited to valuation fees, audit and legal fees and tax and accounting services

These amounts are included as part of the Fund expenses in Table 1, which are estimated to be 0.15% per annum (based on gross assets of the Fund).

Performance fee

No performance fee is currently charged at the Fund level.

In the future we may appoint investment managers to manage the Fund's portfolio of listed property securities. These managers may be entitled to receive performance fees under the relevant investment management agreements. If such performance fees were to become payable, they would be a cost to the Fund. As performance fees reward investment managers if they meet specific investment performance targets, an investment manager may earn a performance fee for meeting the relevant target, irrespective of the Fund's overall performance. Any performance fee would be reflected in the unit price of the underlying fund.

Performance fee example

If you invested \$50,000 in the Fund, and certain underlying investment managers were entitled to a performance fee of 20% of the amount by which they outperformed their benchmark, and those underlying investment managers outperformed their performance benchmark by 1% in a year, the cost to you would be \$100.

This is an example only; it is not an estimate or forecast. The fee may be higher, lower or not payable at all.

Maximum fees

The maximum fees that can be charged under the Fund's constitution are:

- Contribution fee – 8% of the application amount. Currently, no contribution fee is charged.
- Management fee – 0.42% per annum of the value of the gross assets of the Fund and 4.2% of its gross income. This is the current management fee charged, (inclusive of the net effect of GST), which is estimated to be approximately 0.80% per annum of the Fund's gross assets.
- Custody and compliance fee – 0.04% per annum of the value of the gross assets of the Fund.

No withdrawal fee can be charged under the Fund's constitution.

Buy and sell spreads

Investments and withdrawals may incur buy and sell spreads, which are designed to ensure, as far as practicable, that any transaction costs incurred as a result of an investor entering or leaving the Fund are borne by that investor, and not other investors.

Buy and sell spreads are calculated based on the actual or estimated costs the Fund may incur when buying or selling assets. They will be influenced by our experience of the costs involved in trading these assets or the costs that the Fund has actually paid, and will be reviewed whenever necessary to ensure they remain appropriate.

When you enter or leave the Fund, any buy or sell spread applicable at that time is a cost to you, additional to the fees noted in Table 1, and is reflected in the unit price. The buy and sell spreads are retained within the Fund; they are not fees paid to the Responsible Entity or any investment manager.

The buy spread is taken out of application amounts. As at the date of this PDS, no buy spread applies, however in the future, the Fund may charge a buy spread.

Current buy and sell spreads can be obtained online at www.ampcapital.com.au/spreads or by contacting us.

The Fund's constitution does not allow for sell spreads to be applied to withdrawal payments.

Other costs

Transactional and operational costs

Transactional and operational costs associated with dealing with the Fund's assets may be recovered from the Fund in addition to the fees noted in Table 1. Transactional and operational costs may include transactional brokerage, stamp duty and the buy and sell spreads of any underlying fund. These costs will differ according to the type of assets in the Fund, and will be paid out of the Fund.

Costs related to a specific asset or activity to produce income

The Fund may also incur costs (related to a specific asset or activity to produce income) that an investor would incur if they invested directly in a similar portfolio of assets, for example the costs of gearing. These costs will be paid out of the Fund and are additional to the fees noted in Table 1.

Transaction fees payable to AMP Capital

The Investment Management Agreement between the Responsible Entity and AMP Capital provides for AMP Capital to be paid an acquisition fee for direct property transactions. The fee for an acquisition is 0.4% of the purchase price and the fee for a disposal is 0.5% of the gross sale proceeds. Both fees are only payable once the transactions are finalised and are not payable if the transaction is cancelled. These fees are paid out of the assets of the Fund once they are incurred and reflected in the unit price.

Liabilities properly incurred

The Fund's constitution entitles the Responsible Entity to be indemnified from the Fund for any liability properly incurred.

Changes to fees and costs

The Responsible Entity may change the fees noted in this PDS at its discretion and without the consent of direct investors or indirect investors. For example, fees may be increased where increased charges are incurred due to government changes to legislation, where the Responsible Entity incurs increased costs, if there are significant changes to economic conditions, or if third parties impose or increase processing charges.

However, the Responsible Entity will give direct investors 30 days written notice of any intention to:

- increase the existing fees or expenses, or
- introduce contribution fees or buy spreads.

Tax

Unless otherwise stated, the fees and expenses shown in Table 1 are inclusive of Goods and Services Tax (GST) and any applicable stamp duty, less reduced input tax credits (RITC) or other input tax credits claimable. Depending upon the RITC/input tax credits claimable by the Fund, the actual fees incurred by the Fund may be slightly lower than the amounts stated. For information about the tax implications of investing in the Fund, see the 'Tax and social security' section of this PDS.

Where the Fund invests in other funds managed by us or our associates

The Fund may invest in other funds or investment companies including those managed by us or our associates. Where National Mutual Funds Management Ltd or another AMP Group entity is the Responsible Entity of that other fund, full management fees will not be received by the Responsible Entity from both funds. Instead, adjustments will be made so that the management fee received will be no greater than the fee the Responsible Entity has elected to take under the Fund's constitution at the relevant time.

Differential fees

A rebate of part of the management fee or a lower management fee may be negotiated with investors who are wholesale clients for the purposes of Section 761G and Section 761GA of the Corporations Act. Employees of the AMP Group may be eligible for fee discounts. Further information can be obtained by contacting us.

Other payments

The Responsible Entity may make payments to entities such as dealer groups, platform operators, master trusts and investment administration services in relation to the Fund. These payments are paid by the Responsible Entity and are not a cost to the Fund. Two types of payments may be made to such entities:

- product access payments (as a flat dollar per annum) for administration and related services, which may be an amount of up to \$15,000 per annum (GST inclusive) per platform, and/or
- fund manager payments (based on volumes of business generated) which may be an amount of up to 0.3% of amounts invested.

The amount of these payments may change during the life of this PDS. For further information, please refer to the offer document issued by the relevant entity.

Payments to financial advisers

Advice fees

Advice fees are only applicable to direct investors. Indirect investors should contact their financial adviser, master trust or platform operator about the availability of this arrangement.

You may agree with your financial adviser that advice fees will be paid for financial planning services your financial adviser provides for you. These advice fees are additional to the fees shown in Table 1, and are paid to your financial adviser, not to us or the Responsible Entity.

Advice fees may be in the forms of:

- an investment advice fee, and/or
- an ongoing advice fee, as described below.

You and your financial adviser determine the amount of any advice fees and how they will be charged. This information must be noted on your application form when you make your initial investment and each time you make an additional investment.

Investment advice fee

This fee is charged when you make your initial investment in the Fund and each time you make an additional investment. The fee is a fixed percentage of each investment amount.

We deduct the fee from each investment amount and forward it to your financial adviser before issuing units in the Fund.

Please note that this fee does not apply to investments made through a regular investment plan.

Ongoing advice fee

This fee is a set percentage of your investment balance, and is paid monthly based on your investment account balance at the date the fee is deducted.

We deduct the fee monthly from your investment account (by withdrawing the appropriate number of units) and forward it to your financial adviser.

You can change the ongoing advice fee at any time by written agreement between you and your financial adviser, and you can cancel the ongoing advice fee at any time. You will need to notify us of any change or cancellation in writing, by mail.

Tax

Selling units to pay an ongoing advice fee may have capital gains tax implications, although some investors may be entitled to a capital gains tax discount if they have held the units for more than 12 months.

Depending on your personal circumstances, you may also be entitled to claim advice fees as deductible expenses on your tax return. You should seek appropriate tax advice about the tax implications, if any, for you.

Other payments and benefits

Your financial adviser may receive payments and/or other benefits from the dealer group or organisation under which they operate. These payments and benefits are not a cost to the Fund.

Example of annual fees and costs

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

The fees shown in this table are an example only and are not additional to the fees described in Table 1.

Table 2

Example Wholesale Australian Property Fund		Balance of \$50,000 with a contribution of \$5,000 during the year
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged \$0.
Plus		
Management costs ¹	1.10%	And, for every \$50,000 you have in the Fund you will be charged \$550 ² each year.
Equals		
Cost of the Fund ³		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged a fee of \$550
What it costs you will depend on the fund you choose and the fees you negotiate with your fund or financial adviser.		

1. Management costs are made up of a management fee of 0.42% of gross assets plus 4.2% of gross income and, estimated Fund expenses of 0.15% pa, which equates to 1.10% of the Fund's net asset value.
2. This cost does not include the management costs charged on the additional \$5,000 investment. The additional management costs would be \$55.00 if you had invested the \$5,000 for a full 12 months.
3. This cost does not include any advice fees paid to your financial adviser (see 'Payments to financial advisers' in this section). This example assumes the additional \$5,000 investment occurs at the end of the year.

Tax

Taxation treatment of your investment

It is important that you seek professional taxation advice before you invest or deal with your investment, as the taxation system is complex, and the taxation treatment of your investment will be specific to your circumstances and to the nature of your investment.

Generally, however, you are liable to pay tax at marginal rates each year on any distributions from the Fund (with the exception of a return of capital), even if the distributions are reinvested, although you may be entitled to tax credits or concessionally taxed income such as capital gains.

Please note that at the time of your initial or additional investment there may be unrealised capital gains or accrued income in the Fund. If these amounts are subsequently realised, they may be returned to you as part of a distribution from the Fund.

In addition, there may be realised but undistributed capital gains or income in the Fund. These amounts may be returned to you as part of the next distribution from the Fund.

You may also be liable to pay capital gains tax on any capital gains received from disposing of your investment.

If the Fund holds investments which are located outside of Australia, the Fund's income may include non-Australian sourced income. You may be entitled to foreign tax credits for foreign tax already paid.

Non-resident investors

If you are not an Australian resident, tax will normally be deducted from distributions before they are paid to you. The tax rate will depend on the nature of the distribution and the country in which you reside.

Investment in the Fund

Who can invest?

Applications to invest in the Fund through this PDS can be made by individual and joint investors who are 18 years of age or over, and by partnerships, companies, trusts and superannuation funds, who receive the PDS (including electronically) within Australia. Applications will only be accepted if signed and delivered from within Australia, and the Responsible Entity reserves the right to refuse or reject an application.

Applications can be made by direct and indirect investors (see below).

How to invest

Direct investors

Direct deposit

Please complete an application form accompanying the current PDS and fax this form to fax number (03) 8688 5796 the same day that the investment monies have been deposited into our account.

The relevant banking details are:

Bank:	Westpac
BSB No.:	033 230
Bank Account No.:	400 094

Cheque

Please complete an application form accompanying the current PDS and send it to us with your cheque, made out to 'NMF M Ltd – Wholesale Australian Property Fund' and crossed 'Not Negotiable' or by direct debit (see below). A minimum initial investment of \$10,000 must be made.

Direct debit

You will need to complete the direct debit request in the application form, providing the details of the bank account from which you would like us to deduct your investment amount and acknowledge that you have read and understood the direct debit request terms and conditions set out in the application form.

No units will be issued on the basis of the PDS when it is no longer current.

Indirect investors

It is possible to gain exposure to the Fund through an investment or reporting service such as a master trust or platform. In this PDS, people who invest through these services are referred to as indirect investors.

Indirect investors do not become unitholders in the Fund. Instead it is generally the operator of the master trust or platform that invests for you and so has the rights of a unitholder. They exercise these rights (or not) in accordance with their arrangements with you.

If you wish to invest through a master trust or platform, please refer to their terms and conditions. Investors who access or wish to access the Fund through a master trust or platform that has entered into an appropriate agreement with the Responsible Entity should refer to this PDS.

Additional investments

Relevant fees and expenses will apply to all additional investments.

Direct investors

To make additional investments, send us an authorised fax* or letter detailing your investor number, the additional amount you wish to invest, together with confirmation that the investment monies have been deposited into our account. Alternatively you may use an additional deposit form which can be obtained by contacting us on 131 737.

Each additional investment must be at least \$5,000. Additional units are issued on the terms and conditions set out in the PDS current at the time the application is processed.

As soon as it's reasonably practical, after each investment we will send you a statement setting out details of your investment and your balance. The relevant fees and expenses will apply to all additional investments.

Indirect investors

If you are an indirect investor and wish to make additional investments, please contact your financial adviser, master trust or platform operator.

*Please refer to 'Communication by fax' in the 'Additional information' section of this PDS

Regular investment plan

A regular investment plan allows you to invest from \$500 per month into your investment from your nominated bank account. Regular investment plan amounts are deducted from your nominated bank account around the 20th of each month.

Your application form and direct debit request must be received by about the 15th of the month, for your regular investment plan to start around the 20th of that month. Similarly, if you want to make changes to your nominated bank account for direct debits, a new direct debit request must be received around the 15th of the month. If the new details are not received by this date the change may not occur until the following month.

Your regular investment plan may be cancelled if you fail to meet a direct debit request. Direct debits may be discontinued or suspended, at NFMF's discretion, under the direct debit system.

Processing applications

Applications are generally processed each business day, using the close of business issue price for that day. A business day for us is any day other than Saturday, Sunday or a bank or public holiday in Melbourne, Victoria.

If an application is received after 1.00pm or on a non-business day for us, it will be treated as having been received before 1.00pm the next business day.

Issue price

The issue price is determined under the Fund's constitution by reference to the net asset value, the buy spread (if applicable) and the number of units on issue in that unit class.

The market value and net asset value of the Fund are normally determined at least each business day, using the market prices and unit prices of the assets in which the Fund is invested. For further information see 'Unit pricing discretions' on page 27.

Cooling off rights

Direct investors

If you are a retail investor (as defined in the Corporations Act), you have a period of 14 days (the cooling off period) during which you can cancel your investment by notifying us in writing. The 14 day period starts from the date you receive confirmation of your investment or five business days after we process your application, whichever occurs first. If you cancel your investment during this period, the amount repaid to you will be adjusted in accordance with the Corporations

Act to reflect any increase or decrease in the unit price, any tax or duties payable on the units, and reasonable administrative expenses and transaction costs associated with the acquisition and termination of your investment. Consequently, the amount repaid may be less than the amount of your initial investment in the Fund.

The right to cooling off terminates immediately if you exercise a right or power under the terms of the product, such as selling part of your investment or switching it to another product. For any subsequent contributions made under the terms of an existing agreement, or investments made under a switching facility or distribution reinvestment plan, the right to cooling off does not apply to these subsequent contributions.

Indirect investors

Cooling off rights do not apply under this PDS. Your financial adviser, master trust or platform operator can provide you with the conditions, if any, that apply to returning your investment within the cooling off period set by the master trust or platform operator.

The value of your investment

Unit prices can rise and fall on a daily basis depending on a number of factors, including the market value of the Fund's assets. Consequently, the value of your investment will vary from time to time.

Direct investors

The value of your investment at any point in time is calculated by multiplying the number of units you hold, by the unit price current at that time. Unit prices are updated regularly online at www.ampcapital.com.au and can also be obtained by contacting us.

Indirect investors

When you invest through this PDS, the master trust or platform operator holds units in the Fund on your behalf. The value of your investment at any point in time is calculated by multiplying the number of units held for you, by the unit price set by the master trust or platform operator. Your financial adviser, master trust or platform operator can provide you with the current unit price relevant to your investment in the Fund.

Risk

The Fund is not capital guaranteed and the value of an investment in the Fund can rise and fall. You should consider the risks of investing before making a decision about investing in the Fund (see the 'Risks of investing' section of this PDS).

Retaining this PDS

You should keep this PDS and any replacement or supplementary PDS, as you may need to refer to information about the Fund for ongoing investing. We will send you a current PDS and any replacement or supplementary PDS free of charge, on request.

Changes to the information in this PDS

Before making a decision to invest or reinvest in the Fund, it is important to obtain a current PDS, as information provided in a PDS may change from time to time.

If changes to the information in this PDS are not materially adverse to investors, we will update the relevant information online on behalf of the Responsible Entity at www.ampcapital.com.au. However, if a change is considered materially adverse to investors, the Responsible Entity will issue a replacement or supplementary PDS which will be available online. You can obtain a copy of the updated information and any replacement or supplementary PDS free of charge, by contacting us.

If the Responsible Entity intends to change the Fund's investment objective or investment approach, the Responsible Entity will advise direct investors in writing, before making the change. See 'Changes to fees and costs' on page 14 for details about other times when the Responsible Entity will write to direct investors before changing information in this PDS.

Questions about your investment

Direct investors

Please contact our Client Services team on 131 737 between 8.30am and 6.00pm Monday to Friday, Melbourne time or alternatively via email at client.inquiry@ampcapital.com if you have questions relating to your investment.

Indirect investors

You will need to contact your financial adviser, master trust or platform operator for information about your investment.

Accessing your money

Requesting a withdrawal

Direct investors

You can request a withdrawal by completing a withdrawal form or sending us an authorised fax* or letter. Withdrawal forms can be obtained online at www.ampcapital.com.au or by contacting us. If requesting a withdrawal by an authorised fax* or letter, please include your investor number, the amount you wish to withdraw and where you would like us to send the proceeds. If your investment is below our current minimum investment of \$10,000 and you wish to make a withdrawal, you may be asked to withdraw your entire investment.

The minimum investment balance required to keep the account open is \$5,000. The Responsible Entity reserves the right to accept lower balances.

When you make a withdrawal you dispose of units in the Fund, and this may have tax implications.

To cancel your withdrawal request, please contact us to obtain the relevant form.

* Please refer to 'Communication by fax' in the 'Additional information' section of this PDS.

Indirect investors

Contact your financial adviser, master trust or platform operator for details about:

- how to withdraw money
- how your withdrawal will be paid, and
- the minimum withdrawal amount and account balance set by the master trust or platform operator.

Processing withdrawal requests

The Responsible Entity aims to process withdrawal requests monthly according to the relevant 'specified withdrawal date' (see below). Generally, withdrawal requests will be satisfied within five business days of the specified withdrawal date, but may take up to 12 months, or longer, as allowed under the Fund's constitution.

Specified withdrawal date

You can submit a withdrawal request at any time. However, withdrawal requests will be processed on the specified withdrawal date, which is the 15th day of each calendar month, or the next business day if the specified withdrawal date is not a business day. A business day for us is any day other than Saturday, Sunday or a bank or public holiday in Melbourne.

Withdrawal requests received after 1.00pm Melbourne time on any specified withdrawal date will be held over to the next specified withdrawal date for processing.

Multiple withdrawal requests

More than one withdrawal request per investor may be accepted in relation to any specified withdrawal date. Where more than one withdrawal request has been received from the same investor, each withdrawal request will be processed individually.

You can amend or cancel your withdrawal request by notifying us in writing either by mail or fax*, or contacting us on 131 737.

* Please refer to 'Communication by fax' in the 'Additional information' section of this PDS.

Withdrawal arrangements if the Fund is not liquid

The withdrawal arrangements outlined above in this section only apply while the Fund is liquid as defined under the Corporations Act. Where the Fund ceases to be liquid, including due to any changes to the Corporations Act definition of liquid, withdrawals are cancelled and investors will not be able to withdraw from the Fund unless and until the Responsible Entity chooses to make a withdrawal offer to investors.

As at the date of this PDS, the Fund is liquid under the current Corporations Act definition of 'liquid', that is, the Responsible Entity reasonably expects that it could sell at least 80% of the Fund's assets for market value within 12 months. See 'Liquidity' in the 'Risks of investing' section of this PDS.

The Responsible Entity reserves the right to terminate the Fund at any time and will do so if it considers it in the best interests of investors. If the Fund is terminated, any unpaid withdrawal requests will be cancelled.

Withdrawal price

The withdrawal price is determined under the Fund's constitution by reference to the net asset value and the number of units on issue in that unit class.

The unit price used to calculate your withdrawal value will generally be the price calculated on the last valuation date before we process the payment of your withdrawal request (or part of your withdrawal request), not the day you notify us of your intention to withdraw.

The market value and net asset value of the Fund are normally determined at least each business day, using the market prices and unit prices of the assets in which the Fund is invested. For further information see 'Unit pricing discretions' on page 27.

Payment times

The Responsible Entity aims to process withdrawal requests monthly and withdrawal requests will generally be paid five business days after the specified withdrawal date.

At all times, you should be aware that monthly payment and processing of withdrawal requests is dependent on the availability of cash in the Fund. Where the amount of funds available for meeting withdrawal requests is not sufficient to fully meet all withdrawal requests relating to a specified withdrawal date, withdrawal amounts may be paid in part. Furthermore, withdrawals will be limited to 5% of the net asset value of the Fund per calendar quarter (although we have discretion to alter this amount). Where withdrawals are paid in part, the outstanding unpaid amount will be paid once sufficient cash is available to meet withdrawal requests relating to the specified withdrawal date and may be paid in priority to withdrawal requests subsequently received by the Responsible Entity.

Furthermore, the Fund's constitution allows up to 12 months, or longer, to process withdrawal requests. Circumstances where the Fund's constitution allows more than 12 months to process withdrawal requests include where the Responsible Entity is unable to realise sufficient assets due to circumstances beyond its control, such as restricted suspended trading in the market for an asset.

The Fund's liquidity position will be monitored. In the event that the Fund is not able to meet withdrawal

requests in part or in full or if the Fund is declared illiquid, the Responsible Entity will as soon as practicable communicate how it plans to meet withdrawal requests in the future. This communication will include the steps to be taken over the next 12 months and the expected liquidity position during this time. This may involve raising equity from new investors, utilising existing cash, increasing the level of debt, selling property securities, selling direct property or undertaking a combination of these measures. Quarterly updates will be provided until such time as monthly processing of withdrawal requests resumes.

Further information about withdrawals is contained in the 'ASIC benchmarks and disclosure principles for the Wholesale Australian Property Fund' document. This document should be read together with the current PDS for the Fund, and is available online at www.ampcapital.com.au (go to the Fund page), or can be obtained free of charge, on request.

Transfer of units

Stamp duty may need to be paid on the transfer of units.

Direct investors

Please contact us for all transfer requests.

Indirect investors

You will need to contact your financial adviser, master trust or platform operator for information about the transfer of units.

Switching

Direct investors

A request for a switch is a withdrawal of units from the Fund, and an application for units in another fund within the AMP Group. The relevant procedures, processing times and conditions relating to withdrawals and applications will apply. If you want to switch all or part of your investment into another fund within the AMP Group, please send us an authorised fax* or letter and a completed application form with your request.

Indirect investors

If you wish to switch your investment, please contact your financial adviser, master trust or platform operator.

* Please refer to 'Communication by fax' in the 'Additional information' section of this PDS

Keeping you informed

Investment information

We will send direct investors the following information on behalf of the Responsible Entity:

- confirmation of each transaction
- an initial application statement
- a confirmation statement after each additional investment, excluding investments made through the regular investment plan
- a quarterly report showing transactions and the value of your investment, including any information about distributions which have been paid since the last report
- an annual tax statement to help you with your tax return, and
- an annual capital gains tax statement (if required) to help you with your tax return.

Online access

Online access allows direct investors to view investment information and statements at any time. To register for online access, please contact us.

Reporting

Direct investors

We will provide direct investors with the following information free of charge, on request:

- the Fund's annual financial reports, and
- a paper copy of any updated information.

Indirect investors

Please ask your master trust or platform operator about their reporting policy.

Additional information

The Fund's constitution

The Fund is a unit trust registered as a managed investment scheme under the Corporations Act and is governed by a constitution. Unitholders' rights and entitlements are largely governed by the Fund's constitution, the terms and conditions of which are binding on the Responsible Entity and on unitholders. The Responsible Entity may amend the constitution at any time; however, the Corporations Act requires that unitholders approve an amendment of a constitution if the proposed amendment will adversely affect their rights.

Direct investors

The constitution under which the Fund was established provides the framework for the operation of the Fund and, with the Corporations Act, the PDS and other laws, sets out the relationship between the Responsible Entity and you. The following information summarises certain important matters contained in the Fund's constitution. To obtain a copy of the Fund's constitution free of charge, contact us on 131 737.

Indirect investors

It is the master trust or platform operator that has the relationship with the Responsible Entity. Your rights are governed by your agreement with the master trust or platform operator.

Responsible Entity – role and powers

The Responsible Entity has overall responsibility for the Fund's management including the determination of the investment objectives and policy. The role also includes holding the investments of the Fund securely and protecting the rights and interests of unitholders. This includes the duties to act honestly, exercise due care and diligence, and treat investors equally. Subject to the Corporations Act and the Fund's constitution, National Mutual Funds Management Ltd may at any time voluntarily retire or be removed by unitholders at a unitholder meeting as Responsible Entity of the Fund. Under the Fund's constitution, the Responsible Entity has very broad powers to enable the efficient and prudent management of the Fund including practically

unrestricted powers in relation to the types of assets in which the Fund can invest. These powers are limited by the Fund's stated objectives, which are referred to in the 'About the Wholesale Australian Property Fund' section of this PDS.

The Responsible Entity can be contacted by telephone on 131 737.

Investment manager

AMP Capital has been appointed by the Responsible Entity under an Investment Management Agreement to provide investment management and associated services in respect of the Fund. This includes being responsible for selecting and managing the Fund's investments. AMP Capital has also been appointed by the Responsible Entity under a Fund Services Agreement to provide other Fund related services, including responding to investor enquiries and the preparation of this PDS on behalf of the Responsible Entity. No company in the AMP Group other than the Responsible Entity and AMP Capital is responsible for the preparation and issue of this PDS or for any statements or representations made in this PDS.

AMP Capital has consented to being named as investment manager of the Fund and to the inclusion of the statements made by AMP Capital in this PDS in the form and content in which they appear. As at the date of this PDS, AMP Capital had not withdrawn this consent. AMP Capital makes all of the statements in this PDS other than references to the Responsible Entity which are made by National Mutual Funds Management Ltd.

MUTB has provided consent to the statements made about MUTB in this PDS. As at the date of this PDS, MUTB had not withdrawn this consent. MUTB is not responsible for any other part of this PDS or the issue of this PDS.

Unit classes

The Fund's constitution provides for multiple unit classes. Under the Fund's constitution, the Responsible Entity has the discretion to introduce new classes of units from time to time.

Under the Fund's constitution, different unit classes may have different rights, obligations and restrictions, including different management costs and expenses.

Each unit gives a unitholder an equal and undivided interest in the Fund. However, a unit does not confer any interest in any particular asset of the Fund and does not entitle the unitholder to have any of the assets of the Fund transferred to the unitholder or to interfere with any of the Responsible Entity's rights or powers.

Unitholder meetings

The Responsible Entity may at any time convene a meeting of unitholders of the Fund. Subject to the requirements of the Corporations Act, the Responsible Entity will also convene a meeting if requested in writing to do so by unitholders with at least five per cent of the votes that may be cast on the resolution, or at least 100 unitholders who are entitled to vote on resolutions. If a meeting is to be held, a notice setting out relevant information about the meeting will be sent to unitholders. Unitholders may vote at the meeting unless prohibited under the Fund's constitution or under the Corporations Act.

Liability

The Responsible Entity is not liable for any loss unless it fails to comply with its duties as specified in the constitution or under any prevailing law. Your liability is limited by certain provisions in the constitution to the amount, if any, which remains unpaid in relation to your application for units but the courts are yet to determine the effectiveness of provisions like this.

Termination

The Fund may be terminated in a number of circumstances under its constitution and the Corporations Act. The Fund terminates at the earliest of:

- the 80th anniversary of the day before the Fund commenced
- the date specified by the Responsible Entity as the date of termination of the Fund in a notice given to unitholders, or
- the date on which the Fund terminates in accordance with another provision of the constitution or by law.

Related parties

The Responsible Entity may conduct business with related parties as permitted by the Corporations Act. The Corporations Act requires that these transactions be conducted on arm's length terms or with the approval of unitholders.

Further information about related parties is contained in the 'ASIC benchmarks and disclosure principles for the Wholesale Australian Property Fund' document. This document should be read together with the current PDS for the Fund, and is available online at www.ampcapital.com.au (go to the Fund page), or can be obtained free of charge, on request.

Compliance plan

The Responsible Entity has a compliance plan for the Fund, which sets out the measures that will apply in operating the Fund to ensure compliance with the Corporations Act and the Fund's constitution. The compliance plan is lodged with ASIC and is audited by independent auditors annually to determine compliance with it.

A compliance committee monitors the operation of the Fund and overall compliance with the compliance plan. The majority of the members of the compliance committee must be, and are, independent of AMP Capital and the Responsible Entity. The compliance committee has the obligation to monitor compliance with the compliance plan and to report certain breaches of the Corporations Act and the compliance plan to ASIC.

Year-end processing

The Responsible Entity is required to perform a substantial amount of processing and calculations for the investment funds at the end of each financial year (30 June). This invariably causes delays in the determination of unit prices, the processing of application details (such as sending out confirmation statements, but not the investment of application monies) and in withdrawal processing and payments (including switches between funds). Consequently, normal processing times may be extended during the end of financial year period.

Complaints procedure

Direct investors

We and the Responsible Entity follow an established procedure to deal with complaints. If you have concerns relating to your investment in the Fund, please contact us by telephone on 131 737 between 8.30am and 6.00pm Monday to Friday, Melbourne time or in writing to AMP Capital Investors Limited, GPO Box 2780, Melbourne VIC 3001.

If the matter is not resolved to your satisfaction or is not resolved within 45 days, you may wish to contact the Financial Ombudsman Service, by telephone on 1300 780 808 or in writing to GPO Box 3, Melbourne Victoria 3001. The Financial Ombudsman Service is independent from us.

If the complaint is privacy related, please refer to the AMP Capital Privacy Policy for more details, which can be obtained online at www.ampcapital.com.au.

Indirect investors

You should contact your financial adviser, master trust or platform operator if you have a complaint related to your investment in the Fund. If your issue remains unresolved, you can contact the external dispute resolution scheme of which the financial adviser, master trust or platform operator is a member.

Your privacy

Direct investors

The main purpose in collecting personal information is so that we can set up and administer your investment account. If you do not provide the required information, we may not be able to process your application. If you would like us to not use your personal information for direct marketing purposes, please contact us.

The AMP Capital Privacy Policy, which can be obtained online at www.ampcapital.com.au or by contacting us, sets out the AMP Group's policies on management of personal information. This information may be disclosed to other members of the AMP Group, financial advisers where applicable, to external service suppliers (including offshore suppliers) who supply administrative, financial or other services that assist us in providing services to you, and to anyone you have authorised or if required by law.

Under the Privacy Act, you may access personal information held about you, although the Privacy Act does set out some exemptions to this. If you believe information held about you is inaccurate, incomplete or out of date, please contact us.

Indirect investors

It is the master trust or platform operator that holds the relationship with the Responsible Entity. The Responsible Entity does not receive any of your personal details. Please contact your master trust or platform operator for details of their privacy policy in relation to the use and disclosure of your personal information.

Unit pricing discretions

Provisions in the Fund's constitution give the Responsible Entity the ability to exercise discretion in relation to the calculation of application and withdrawal unit prices. The AMP Group has a policy that details how and when the Responsible Entity exercises this discretion. You can obtain a copy of the policy free of charge, on request by contacting us on 131 737.

The Fund's investments are valued in accordance with its constitution, generally on the basis of market value but other valuation policies and methods may be adopted by the Responsible Entity if appropriate. In the case of a listed security this will generally be the last price at which the security was traded on the relevant stock exchange.

In some circumstances a market value may not be available. This may be because of a temporary closure of the market (e.g. due to a public holiday), which the Responsible Entity does not expect will have a significant impact on the market value of the relevant assets. In this situation the Responsible Entity will generally continue to use the most recently available market value for those assets. Alternatively, a market value may not be available because of unforeseen events that result in a market being closed. In this situation the Responsible Entity will generally suspend the ability to invest in or withdraw from the Fund if the Responsible Entity thinks that the market closure might have a significant impact on market values (unless the Responsible Entity is satisfied that independently verifiable application and withdrawal prices can be obtained).

The market value of the Fund is generally calculated each Melbourne business day. When you apply for units in the Fund or make a withdrawal from the Fund, your transaction will usually be processed at the unit price derived from asset values at the close of business on the effective date of your transaction.

Income received by the Fund during a distribution period is reflected in the unit price. At the end of the distribution period, unit prices will generally fall by the amount distributed per unit.

Communication by fax

When you communicate with us by fax, it is your responsibility to obtain confirmation from us that we have received your fax. Neither we nor the Responsible Entity is responsible for any loss or processing delay that occurs as a result of us not receiving a faxed

communication. Please note that we do not accept a sender's fax transmission record as evidence that a communication has been received by us. You also indemnify the Responsible Entity against any loss or liability arising from us or the Responsible Entity acting on any fraudulent communication received by fax.

Applying for an investment

How to invest

Direct investors

Complete the application form accompanying a current PDS and submit it to us.

Your application will only be processed on receipt of both the completed application form and your initial investment amount.

All investments are made on the basis of the PDS current at the time of contributing your investment amount. You can obtain a current PDS online at www.ampcapital.com.au or by contacting us.

Indirect investors

Your financial adviser, master trust or platform operator will provide you with information about how to apply, including the form you will need to complete, minimum initial and additional investment amounts, and the method of paying your investment amount.

All investments are made on the basis of the PDS current at the time of contributing your investment amount. You can obtain a current PDS from your financial adviser, master trust or platform operator.

Minimum investment amounts

- Initial investment – \$10,000
- Additional investment – \$5,000

The Responsible Entity reserves the right to accept lower investment amounts.

Providing a Tax File Number (TFN)

You do not have to provide a TFN, exemption code or Australian Business Number (ABN). However, if you do not provide any of these, the Responsible Entity is required to deduct tax from most distributions, including where those distributions are reinvested, at the highest marginal tax rate (including the Medicare levy).

Signing the application form

The application form should only be completed and signed by:

- the person who is, or will become, the unitholder
- an authorised signatory if the application is on behalf of a company, trust or superannuation fund, or
- an agent for the investor, acting under power of attorney or as a legal or nominated representative.

Submitting the application form

Application forms should be mailed to:

Client Services
AMP Capital Investors Limited
GPO Box 2780
Melbourne VIC 3001

Please include all required identification documentation when submitting your application.

Contacting AMP Capital

For information about investing with AMP Capital, please contact us.

DIRECT INVESTORS

Mailing address

AMP Capital Investors Limited
GPO Box 2780
MELBOURNE VIC 3001

CLIENT SERVICES

T: 131 737
F: 03 8688 5796
8.30am - 6.00pm Melbourne time, Monday to Friday

Email

client.inquiry@ampcapital.com

Website

ampcapital.com.au

INDIRECT INVESTORS

Contact your financial adviser, master trust or platform operator.