

## Product Disclosure Statement (“PDS”) dated 5 December 2019

This PDS is issued by The Trust Company (RE Services) Limited, ABN 45 003 278 831, AFSL 235150 (“**Responsible Entity**”, “**we**”, “**us**”, “**our**”), as responsible entity of the Thornburg Multisector Opportunistic Fund (“**Fund**”). The Responsible Entity is authorised under its Australian financial services licence (“**AFSL**”) to issue Units to Retail Clients and Wholesale Clients (as these terms are defined in section 761G of the Corporations Act 2001 (Cth) (“**Corporations Act**”)) in Australia who apply for Units under this PDS. The investment manager of the Fund is Thornburg Investment Management, Inc., a SEC registered investment adviser, (“**Manager**”). The Manager is exempt from the requirement to hold an AFSL under the Corporations Act in respect of the financial services it provides to Wholesale Clients in Australia. The Manager is regulated by the Securities and Exchange Commission of the United States of America (“**US**”) under US laws, which differ from Australian laws. The Manager is not authorised to provide financial product advice to Retail Clients. The Manager has provided its consent to the statements about it in the form and context in which they are included. The Manager has not withdrawn its consent before the date of this PDS.

### Contents

1. About Perpetual
2. How the Fund works
3. Benefits of investing in the Fund
4. Risks of managed investment schemes
5. How we invest your money
6. Fees and costs
7. How managed investment schemes are taxed
8. How to apply

### Contact Details

If you have any questions or would like more information about the Fund, you may contact the Manager or the Responsible Entity:

#### Manager

Thornburg Investment Management, Inc.  
Mail: 2300 North Ridgetop Road, Santa Fe, New Mexico 87506  
Website: [www.thornburg.com](http://www.thornburg.com)

#### Responsible Entity

The Trust Company (RE Services) Limited  
Mail: Level 18, 123 Pitt Street, Sydney NSW 2000 Australia  
Website: [www.perpetual.com.au](http://www.perpetual.com.au)

### Important notes

This PDS provides a summary of significant information and contains a number of references to other important information contained in the Fund’s Reference Guide dated 5 December 2019 (“**Reference Guide**”) (which forms part of the PDS). You should consider all of this information before making a decision to invest in the Fund.

The information provided in this PDS is for general information only and does not take into account your objectives, financial situation or needs. You should obtain financial advice tailored to your personal circumstances.

### Updated information

This PDS may be updated with changes that are not materially adverse via disclosure on the Fund’s website, at [www.thornburg.com/australia](http://www.thornburg.com/australia). Upon request, a paper copy of this information will be made available without charge by contacting the Manager or Responsible Entity. For investors investing through an investor directed portfolio service (“**IDPS**”), IDPS like scheme, a nominee or custody service or any other trading platform (collectively referred to in this PDS as a “**Service**”), updated information may also be obtained from your Service operator. Investors investing through a financial advisor may also obtain updated information from their financial advisor. This

PDS may only be used by investors receiving it (electronically or otherwise) in Australia. Applications from outside Australia will not be accepted. In particular, this PDS does not constitute an offer to sell Units in the Fund in the United States or to any “**US Person**” (as defined in the Reference Guide). All amounts in this PDS are in Australian dollars (“**AUD**” or “**\$**”) and all times quoted are Sydney time (unless otherwise stated). A “**Business Day**” referred to in this PDS is a day (other than a Saturday, Sunday or the day prior to Christmas Day) on which trading banks are open for banking business in Sydney and New York City and the New York Stock Exchange is open for business.

## 1. About Perpetual

The Trust Company (RE Services) Limited (“**Responsible Entity**”) is the Responsible Entity for the Fund. The Responsible Entity is a wholly owned subsidiary of Perpetual Limited which has been in operation for over 130 years. Perpetual Limited (ACN 000 431 827) is an Australian public company that has been listed on the Australian Securities Exchange for over 50 years.

The Responsible Entity holds Australian Financial Services Licence number 235150 issued by the Australian Securities and Investment Commission (“**ASIC**”), which authorises it to operate the Fund.

The Responsible Entity is responsible for the operation of the Fund and has the power to delegate certain of its duties in accordance with the Corporations Act and the constitution of the Fund (“**Constitution**”). The Responsible Entity has appointed Thornburg Investment Management, Inc. (Thornburg) as the investment manager of the Fund, and State Street Australia Limited as the custodian (“**Custodian**”) and the administrative agent (“**Administrative Agent**”) of the Fund. The Responsible Entity, in its discretion, may change the Custodian and Administrative Agent from time to time or appoint additional service providers.

### About the Manager

The Responsible Entity has appointed Thornburg Investment Management, Inc. as the investment manager of the Fund (“**Manager**”) under an Investment Management Agreement. The Manager is an independent global investment management firm that provides a range of active investment strategies to serve a broad spectrum of client needs. Headquartered in Santa Fe, New Mexico, the Manager is geographically removed from the world’s major financial centres. The Manager helps investors reach their long-term goals. Now more than 30 years into its mission, the Manager’s investment line-up represents a wide range of fixed income, equity and liquid alternative solutions. As at the date of this PDS, the Manager boasts \$41.8 billion (USD) total firm assets under management, as of 31 October 2019. The Manager acts as our agent to manage the assets of the Fund consistently with the Fund’s investment policy and objectives.

## 2. How the Fund works

### About the Fund

The Fund is an Australian managed investment scheme that is registered with ASIC and is governed by the Constitution and Corporations Act.

## How the Fund operates

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

## What is a Unit

Each unit (“Unit”) that you hold in the Fund represents an equal and undivided interest in the Fund, subject to the liabilities. However, we, rather than you, have control over the Fund’s assets, management and operation. Your investment is not a direct investment in any particular asset of the Fund and does not give you an interest in it.

## Applications and withdrawals

The minimum required initial investment, subsequent investment, holding and withdrawal amounts are set out below. We may change or waive these amounts at our discretion.

If you are investing indirectly through a Service, you should read your Service operator’s offer document for minimum initial investment, subsequent investment, holding and withdrawal amounts.

\* *Please note that only applications will be accepted on a cleared-funds basis and that application and withdrawal requests are considered separate transactions, independent of one another. Should the minimum holding amount of your account balance fall below \$25,000 you may be required to redeem all the remaining Units.*

Minimum Initial Investment Amount	\$25,000
Minimum Subsequent Investment Amount	\$10,000
Minimum Holding Amount	\$25,000
Minimum Withdrawal Amount	\$25,000

You may apply for Units or increase your investment at any time by completing the Application Form and sending it to the Administrative Agent (please refer to “8. How to apply” for details). You may make a withdrawal on your Units or decrease all or part of your investment in the Fund, subject to maintaining the minimum account balance of \$25,000, at any time by completing the Withdrawal Form and sending it to the Administrative Agent. These forms are available from the Manager. If you are investing indirectly through a Service, you should follow the instructions of the Service operator when making an investment in, or withdrawing your investment from, the Fund.

## How we process applications and withdrawals

The Administrative Agent will generally process applications and withdrawals on the last Business Day of each month (each a “Dealing Day”), although we may treat any other Business Day as a Dealing Day in our sole discretion.

If the Administrative Agent receives your correctly completed application (including for additional investments) request before 2 pm (Sydney time) on the 12th Business Day before a Dealing Day and the subscription funds for such request at least 5 Business Days before that Dealing Day, the request will generally be processed using the application price calculated for that Dealing Day. Where the Administrative Agent receives such application request after 2 pm (Sydney time) on the 12th Business Day before a Dealing Day or the subscription funds for the application request less than 5 Business Days before that Dealing Day, the request will be processed using the application price determined for the following Dealing Day.

If the Administrative Agent receives your correctly completed withdrawal request before 2 pm (Sydney time) on the 30th day before a Dealing Day, the request will be processed using the withdrawal price calculated for that Dealing Day. Where the Administrative Agent receives such information after 2 pm (Sydney time) on the 30th day before a Dealing Day, the request will be processed using the withdrawal price determined for the following Dealing Day. If the Administrative Agent processes a withdrawal request on a Dealing Day, the proceeds of that request will generally be paid within 21 Days of the day on which your withdrawal request was processed but may take longer in some circumstances.

If the Administrative Agent receives an incomplete application or withdrawal request, it will not be processed until the Administrative Agent is subsequently provided with the correct and complete document.

Application or withdrawal requests are subject to client identification procedures that the Responsible Entity and/or Administrative Agent considers

necessary to satisfy its obligations under the relevant anti-money laundering and counter terrorism legislation, being completed. We are not bound to accept an application and reserve the right to reject any application without providing a reason for its determination.

If you are an indirect investor, you may be subject to different conditions from those referred to in this PDS, particularly with regard to cut-off times for transacting and processing applications and withdrawals. As well as reading this PDS, you should seek advice from your Service operator, including reading their offer document.

## How Unit prices are calculated

The application price for Units will be the Current Unit Value, plus the buy spread. The Current Unit Value of Units is calculated by determining the net asset value of the Fund and dividing it by the number of Units on issue. The Fund’s net asset value is the market value of its assets less its liabilities valued as at the last Business Day of each month (or other date notified to you) and using prices in each market around the world as they close during that date.

Liabilities include accruals for management costs, provisions and contingent liabilities.

The Unit price is adjusted by the transaction costs (i.e. Buy/Sell Spread) to calculate the issue and withdrawal price.

Units are issued on a forward priced basis which means that investors will only know their issue or withdrawal price after applications or withdrawal requests are accepted and processed.

Under ASIC Class Order 05/26 (as amended by ASIC Class Order 13/655) the Responsible Entity is required to prepare certain documents, including documents describing how the Responsible Entity will exercise discretions when calculating Unit prices. These documents are available from the Responsible Entity at no charge.

## How to find prices

Updated information on the Unit price is available from the Manager and will be given to a person without charge upon request. The issue and withdrawal prices will generally vary as the market value of the assets of the Fund rises and falls.

## Suspension of applications and withdrawals

We may suspend withdrawals of, or applications for, Units in certain circumstances set out in the Constitution, including where we consider that it is in the best interests of investors during certain emergency situations where it is not reasonably practicable for us to acquire or dispose assets or to determine fairly the issue or withdrawal price. In some circumstances, including, but not limited to, a suspension of withdrawals of Units, you may not be able to make additional investments into the Fund or redeem your Units within the usual period upon request.

We may, in certain circumstances, delay or stagger the payment of large withdrawal requests. In such cases, the Responsible Entity may refuse to withdraw all such Units which are subject to these withdrawal requests and may scale down the amounts to be withdrawn pro rata in response to such extent as the Responsible Entity considers necessary. The Corporations Act also contains provisions that may restrict withdrawals from the Fund in the event that the Fund becomes “not liquid” as defined in the Corporations Act.

## Distributions

A distribution is usually the payment of the Fund’s distributable income to investors at predetermined intervals. Unless an investor indicates otherwise on their Application Form, distributions will be reinvested back into the Fund as at the first day on which Units are issued following the relevant distribution date. Units will be taken to be issued at the application price (no buy spread) applicable for that date. Investors can elect to receive their distribution in cash by indicating this on the Application Form or by contacting the Administrative Agent at least 10 Business Days prior to a distribution date.

The Fund expects to make distributions quarterly, however the Fund may make interim distributions at any time. Distributions are generally expected to be paid within 20 Business Days after they are declared.

The amount of distribution payments may, subject to the Constitution, change at the sole discretion of the Responsible Entity. The Responsible Entity or the Manager will advise you in writing of any expected material changes. The Fund does not guarantee that distributions will be made quarterly or that any distribution will be made at all.

The Unit price generally falls by the amount of any distribution per Unit immediately after the distribution date.

Investors will only be entitled to receive income from their Units if the income referable to their Units is greater than nil. To the extent that the income referable to Units is less than or equal to nil, investors in Units shall not be entitled to receive any distribution of income.

If you are an indirect investor, you may be subject to different conditions from those referred to in this PDS, particularly in relation to the timing of distributions. As well as reading this PDS, you should seek advice from your Service operator, including reading their offer document.

### Further information

We authorise the use of this PDS as disclosure to people who wish to access the Fund indirectly through a Service. In this circumstance, the Service operator becomes an investor in the Fund and acquires the rights of an investor and may exercise, or decline to exercise, these rights on your behalf. Further details about how the Fund works, including detailed information about acquiring and disposing of Units, are contained in a separate document, the Reference Guide, which forms part of this PDS.

1. You should also read the important information in the Reference Guide about “How the Fund works” before making a decision. Go to section 1 of the Reference Guide.
2. The material relating to “How the Fund works” may change between the time when you read this PDS and the day when you acquire the product.

## 3. Benefits of investing in the Fund

### Significant features

The Fund is an actively managed portfolio of government, corporate, mortgage and other global fixed interest securities.

### Benefits of investing

**Higher income:** Potential for higher income returns than those paid on traditional cash investments over the long term.

**Active investment and currency management approach:** The Manager uses credit, economic and quantitative research inputs to control risk, identify investment opportunities, enhance returns and manage currency exposures.

**Access to investment opportunities:** Participation in global fixed income investment opportunities and global markets that may not be accessible to all individual investors.

**An experienced and successful global multisector investment team:** The Investment Strategy is managed by a seasoned investment management team and seeks to draw upon the best ideas across Thornburg’s Global Fixed Income Team.

See section 5 for an explanation of the Investment Strategy. Past performance is not a reliable indicator of future performance.

## 4. Risks of managed investment schemes

All investments carry risk. Different strategies may carry different levels of risk, depending on the assets that make up the strategy. Before making an investment decision, it is important to understand the risks that may affect the value of your investment. While it is not possible to identify every risk relevant to investing in the Fund, we have detailed in the following table significant risks that may affect your investment. Assets with the highest long-term returns may also carry the highest level of short-term risk. Corporate and government bonds that are sub-investment grade may be more volatile than funds investing in higher-rated bonds of similar maturity.

Risk can be managed but it cannot be completely eliminated. It is important to understand that:

- the value of your investment will go up and down;
- investment returns will vary and future returns may be different from past returns;
- returns are not guaranteed and there is always the chance that you may lose money on any investment you make; and
- laws affecting your investment in a managed investment scheme may change over time.

The level of risk for each person will vary depending on a range of factors including age, investment timeframe, other investments and risk tolerance. Your financial adviser may assist you in determining whether the Fund is suited to your objectives, financial situation and needs including the level of diversification you need.

Neither the Manager, nor its associates or related bodies corporate, the Responsible Entity, nor any company in the Perpetual group, guarantees that the investment objective will be achieved or that you will earn any return on your investment or that your investment will gain in value or retain its value. Neither the Manager, nor its associates or related bodies corporate or the Responsible Entity guarantees any particular taxation consequences of investing. You may lose some of your money on your investment. The laws affecting managed investment schemes may change over time. The value of your investment may vary. The level of returns will vary, and future returns may differ from past returns. Investment in the Fund is subject to investment risk, including possible delays in repayment and loss of income and capital invested.

Key risks and the description of those risks are summarised in the following table. Additional information about significant risks is contained in a separate document, the Reference Guide, which forms part of this PDS.

1. You should also read the important information in the Reference Guide about “Significant risks” of managed investment schemes before making a decision. Go to section 2 of the Reference Guide.
2. The material relating to “Significant risks” may change between the time when you read this PDS and the day when you acquire the product.

Risk	Description of risk
Management risk	The Fund is an actively managed portfolio, and the value of the Fund may be reduced if the Manager pursues unsuccessful investments or fails to correctly identify risks affecting the broad economy or specific issuers in which the Fund invests.
Interest rate risk	When interest rates increase, the value of the Fund’s investments may decline and the Fund’s unit price may be reduced.
Credit risk	If obligations held by the Fund are downgraded by ratings agencies or go into default, or if management action, legislation or other government action reduces the ability of issuers to pay principal and interest when due, the value of those obligations may decline and the Fund’s unit price and the distributions paid by the Fund may be reduced.
Market and economic risk	The value of the Fund’s investments may decline and its unit price may be reduced due to changes in general economic and market conditions.
Liquidity risk	Due to a lack of demand in the marketplace or other factors, the Fund may not be able to sell some or all of its investments promptly or may only be able to sell investments at less than desired prices.

When you invest in a managed investment scheme, the risks are also higher than investing in a term deposit or government bond.

## 5. How we invest your money

You should consider the likely investment return, the risks and your investment timeframe. We recommend you consult a financial adviser for assistance in determining whether the Fund is appropriate for you.

1. You should also read the important information in the Reference Guide about “How we invest your money” before making a decision. Go to section 3 of the Reference Guide.
2. The material relating to “How we invest your money” may change between the time when you read this PDS and the day when you acquire the product.

### Investment objective

To seek a high level of income. The Fund may also seek long-term capital appreciation.

There can be no assurance the Fund’s investment objective will be achieved.

### Investment Strategy and guidelines

The Fund invests in a broad range of debt and fixed income securities. The Fund may hold corporate bonds, government bonds, asset-backed securities, collateralised mortgage obligations, mortgage-backed securities, closed ended mutual funds, preferred and common equity, cash and forwards and bank loans located anywhere in the world, including developed and emerging countries.

The Manager aims to hedge the Fund’s investments back to the Australian dollar and derivatives may be used for hedging purposes.

The Fund may be suitable for investors with higher risk tolerances and who want income returns exceeding Australian bank bill rates over the long term by investing in global debt or fixed income securities.

The Fund will generally adhere to the following investment guidelines and limits based on the Fund’s net asset value:

- emerging markets limit of 20% (minimum to maximum)
- single industry limit of 15%
- single issuer limit of 5% (non-sovereign)
- single sector limit of 25% (GICS sectors)
- no minimum or maximum turnover
- maximum of 65% use of below Investment Grade
- no minimum or maximum Maturity
- no minimum or maximum cash (0% to 15% under normal market conditions)
- no leverage, short selling or derivatives other than derivatives to hedge foreign currency

Commitment to purchase assets does not constitute leverage for the purpose of these guidelines.

Where investments receive different ratings from two or more rating agencies, the higher credit rating will apply.

Please note the above is only an indication of the intended investment guidelines and limits of the Fund. Actual allocations of the Fund may differ.

### Asset allocation target

Asset Class	Range
Global fixed income	85 -100%
Cash	0 -15%
Equity	0-10%

Please note the above is only an indication of the intended asset allocation of the Fund. Actual allocations of the Fund may differ.

## Suggested minimum investment timeframe

3 years

### Suitability and risk level

The Fund is a medium risk investment.

### Changes to the Fund

In agreement with the Responsible Entity, the Manager may vary the Investment objective or Investment Strategy if the Responsible Entity and Manager considers it would be in the interests of investors to do so. For any materially adverse changes to the Investment Strategy, the prior consent of investors (special resolution) will be sought.

### Environmental, social and ethical factors and labour standards

In buying, selling or retaining underlying investments the Manager may take into account labour standards, environmental, social, and other ethical considerations to the extent they may impact financial risks and opportunities. The Manager does not apply a predetermined view as to what constitutes labour standards or environmental, social or governance considerations. These will be determined on a case-by-case basis for this Fund.

## 6. Fees and costs

### Did you know?

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

For example, total annual fees and costs of 2% of your 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 (<https://www.moneysmart.gov.au>) has a managed investment fee calculator to help you check out different fee options.

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

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

1. You should also read the important information in the Reference Guide about “Fees and costs” before making a decision. Go to section 4 of the Reference Guide.
2. The material relating to “Fees and costs” may change between the time when you read this PDS and the day when you acquire the product.

Type of fee / cost	Amount
Fees when your money moves in or out of the Fund	
Establishment fee	Nil
Contribution Fee	Nil*
Withdrawal fee	Nil
Exit fee	Nil



Type of fee / cost	Amount	
<b>Management Costs**</b>		
The fees and costs for managing your investment	1.24% p.a.	Management costs are comprised of: 0.70% per annum <b>management fee</b> – calculated and accrued monthly and paid to the Manager monthly in arrears from the Fund's assets; and 0.50% per annum expense recoveries, paid out of the Fund's assets when incurred; and 0.04% per annum <b>indirect costs***</b> – calculated on the basis of the Responsible Entity's reasonable estimate of such costs, and paid out of the Fund's assets or an underlying fund's assets.

\*\*\* Additional fees may apply. Please note that this example does not capture all the fees and costs that may apply to you, such as the Buy/Sell Spread. Additional fees may be payable to third parties including financial advisers. You should refer to the Statement of Advice provided by your financial adviser in which details of the relevant fees are set out. ASIC provides a fees calculator on its website [www.moneysmart.gov.au](http://www.moneysmart.gov.au), which you may use to calculate the effects of fees and costs on your investment in the Fund.

## Additional explanation of fees and costs

### Management costs

Management costs include the management fees payable to the Manager for managing the Fund and operating expenses recovered from the Fund, as well as amounts on account of indirect costs deducted from your investment and which reduce the return on your investment.

### Management fees

Management fees are charged as a percentage of the net asset value of the Fund calculated and accrued monthly and are reflected in the unit price. Management fees are payable out of the Fund within 30 days at the end of the month or when incurred. The current management fee payable is 0.70% p.a. of the net asset value of the Fund.

### Expense recoveries

Expenses are incurred in connection with administration of the Fund and investments by the Fund, including expenses associated with Responsible Entity fees, administration, legal, custodian and accounting, audit and tax services, and regulatory levies. These normal operating expenses will be paid from the Fund, up to 0.50% p.a. of the net asset value of the Fund in a financial year. The Manager has agreed to pay these expenses to the extent they exceed 0.50% p.a. and will not, without notice, recover expenses exceeding this amount from the Fund.

The initial set up cost of the Fund will also be borne by the Manager.

From time to time, abnormal expenses may be incurred (for example, costs of unitholder meetings), and these will be payable from the Fund.

### Indirect costs

The indirect costs component comprises costs associated with:

- any underlying funds (or interposed vehicles) invested in by the Fund (including fees payable out of any underlying fund); and
- any over-the-counter (or OTC) derivative instruments entered into by the Fund or an underlying fund, such as to hedge foreign currency risk.

The indirect costs indicated above is calculated on the basis of the Responsible Entity's reasonable estimate of such costs and paid out of the Fund's assets or underlying fund's assets when incurred. The indirect costs are estimated 0.04% (annualised) for the year ending 30 June 2020. The actual indirect costs for the year and any subsequent period may differ from this amount.

### Differential fees

The Manager may negotiate a rebate of all or part of our management fee with Wholesale Clients pursuant to the Corporations Act. The payment and terms of rebates are negotiated with Wholesale Clients but are ultimately at our discretion, subject to the Corporations Act and any relevant ASIC policies. The differential fee arrangement does not adversely affect the fees paid or to be paid by any investor who is not entitled to participate in any differential fee arrangement. Other than where fees are negotiated with Wholesale Clients, any differential fee arrangement will be applied without discrimination to all investors who satisfy the criteria necessary to receive the benefit of the arrangement.

\* There is, also, a Buy/Sell Spread. Refer to "Additional fees and costs" in the section "Additional explanation of fees and costs" below

\*\* See 'Additional explanation of fees and costs' below for further details. Further information on management fees and expense recoveries are contained in the Reference Guide, which forms part of this PDS. The fees shown are inclusive of GST and net of any applicable input tax credits and reduced input tax credits.

\*\*\* What it costs you will depend on the fees you negotiate with your financial adviser or your Service operator (as applicable). For further information refer to "Differential fees" and "Advice fees" in the section "Additional explanation of fees and costs" below.

## Example of annual fees and costs for the Fund

This table gives an example of how the fees and costs in the Fund can affect your investment over a 1 year period. You should use this table to compare the Fund with other managed investment products.

Example	Balance of \$50,000 with a contribution of \$5,000* during year	
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged \$0.
PLUS Management Costs	1.24% p.a.	And, for every \$50,000 you have in the Fund, you will be charged \$620 each year.
EQUALS Cost of Fund		\$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees of \$620***

## What it costs you will depend on the fees you negotiate\*\*.

\* The additional management costs will be on a pro-rata basis and will vary depending on when you have made the additional investment during the year. This example is prescribed by the Corporations Act, and is based on an assumption that the additional \$5,000 is invested at the end of the year (and therefore, the management costs are calculated using the \$50,000 balance only). This example also assumes that the value of your investment remains the same during the year.

\*\* If you are an indirect investor, additional fees may be charged by your financial adviser or Service operator (as applicable) for investing in the Fund.

## Transactional and operational costs (“Transaction Costs”) and Buy/Sell Spread

Transaction Costs include the costs associated with buying and selling assets such as brokerage, clearing costs, settlement costs, stamp duties, custody transaction costs and the transactional and operational costs associated with derivatives. The Transaction Costs of the Fund is estimated to be 0.25% per annum of the net asset value of the Fund. The Transaction Costs are an additional cost and are not included in the management costs.

The estimate of the Fund’s Transaction Costs was calculated using the Fund’s expected, estimated transactions during the forthcoming financial year. The estimate was based on the sum of the difference between the price expected to be paid for acquiring securities and the price that would be payable if they were disposed of at that time. This estimate was based on the assumption that this cost was represented by one half of the spread between bid and offer prices of securities bought and sold at the close of the relevant market exchange on the day of trading.

When you invest or withdraw from the Fund, we deduct Transaction Costs to cover the costs of buying or selling the Fund’s assets (“Buy/Sell Spread”). Transaction Costs will generally be incurred when you invest or withdraw from the Fund and are reflected in the Fund Unit prices. The Buy/Sell Spread is an additional cost to investors when investing in or withdrawing from the Fund and is retained by the Fund and not paid to the Responsible Entity or the Manager.

Currently the Fund charges 0.05% of the amount you invest (buy spread) and 0.05% of the amount you withdraw (sell spread) (for example, if you invested \$50,000, the cost of your buy spread would be \$25). These amounts may change if, for example, Transaction Costs change.

The Responsible Entity estimates that the net Transaction Costs of the Fund (representing the total Transaction Costs minus the Buy/Sell Spread recovered) is approximately 0% of the net asset value of the Fund.

These costs are borne by the Fund, meaning the net Transaction Costs are an additional cost of investment to the investor but they are not a fee paid to the Responsible Entity or the Investment Manager.

<u>Total estimated Transaction Costs</u>	0.25%
Estimated Transaction Costs offset by Buy/Sell Spread recovered	0.05%
Estimated net Transaction Costs borne by the Fund	0.20%

### Advice fees

Additional fees and costs may also be paid to a financial adviser if a financial adviser is consulted. The details of these fees and costs should be set out in the statement of advice provided by your adviser if you are a retail client.

The Responsible Entity does not pay any commissions to financial advisers or advisory firms. Your adviser may, however, charge you an advice fee for facilitating your investment into the Fund. The Responsible Entity may receive non-monetary benefits from certain service providers such as business and technical support, professional development and incidental entertainment.

### Fee changes

Keep in mind that the amount of Transaction Costs or management costs may change without investor consent, except if required by the Corporations Act. We will give you at least 30 days prior notice of any increase when legally required to do so. All estimates of fees and costs in this section 6 are based on information available as at the date of this PDS. You should refer to the Fund’s website [www.thornburg.com/australia](http://www.thornburg.com/australia) from time to time for any updates which are not materially adverse to investors.

## 7. How managed investment schemes are taxed

This scheme is likely to have tax consequences. Investors are strongly advised to seek professional tax advice prior to making any investment decisions. If you are investing indirectly through a Service, you should also refer to your Service operator for further information about the tax treatment of your investment.

1. You should also read the important information in the Reference Guide about “Tax” before making a decision. Go to section 5 of the Reference Guide.
2. The material relating to “Tax” may change between the time when you read this PDS and the day when you acquire the product.

### How the Fund is taxed

Where the Fund is an Attribution Managed Investment Trust (“AMIT”), it will be administered in accordance with the AMIT rules, including calculation and distribution of income of the fund in accordance with the AMIT principles. Where the Fund is not an AMIT, it will be administered in accordance with the rules in Division 6 of the Income Tax Assessment Act 1936.

The Fund will be an Australian resident trust for Australian income tax purposes. The income of the Fund should be taxed in the hands of Unitholders on a ‘flow through’ basis if:

- in any financial year in which the Fund is not an AMIT as defined under the relevant tax laws, the Unitholders are presently entitled to the income of the Fund for that financial year; or
- the Fund is an AMIT for a financial year, in which case Unitholders will be assessed on their share of the assessable income, exempt income, non-assessable non-exempt income and tax offsets of the Fund as allocated to them on a fair and reasonable basis by the Responsible Entity.

On that basis, the Fund should not pay any Australian income tax on behalf of its Unitholders.

### How Australian tax resident investors are taxed

Members are assessed for tax on any income and capital gains generated by the Fund. The taxable income distributed or allocated to Unitholders may comprise various amounts, including Australian sourced and foreign sourced dividends, interest, capital gains, revenue gains, franking credits, foreign income tax offsets and tax-deferred amounts. Managed investment schemes do not pay income tax on behalf of Unitholders. Unitholders will be assessed on their respective share of the net taxable income, or, where the Fund is an AMIT, ‘determined trust component’ amounts, of the Fund in the income year to which their income entitlement relates (even though the distribution may only be received in the following income year and irrespective of whether the income is reinvested into additional Units).

### How non-resident investors are taxed

The Responsible Entity may withhold tax on distributions made to non-resident investors. The withholding tax rate depends on the tax residency of the investor and the character of the income distributed or attributed.

Non-resident investors should seek independent professional advice in relation to the tax implications of investing in the Fund, taking into account their particular circumstances including the application of any relevant double taxation agreement between Australia and the investor’s country of residence.

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

### Tax file number (“TFN”) and Australian Business Number (“ABN”)

Providing your TFN is not compulsory for Australian investors but without it or the appropriate exemption information, the Fund is required to withhold tax from your distributions at the highest marginal tax rate (plus Medicare levy) until your TFN or exemption information is provided. An investor may quote an ABN instead of a TFN if it is making the investment in the course of a relevant enterprise carried out by the investor.

If you are investing indirectly through a Service, you should refer to your Service operator for more information on the collection of TFNs.

Non-residents are not required to provide a TFN or ABN, but will still be subject to withholding under other provisions of the tax laws.

## Additional taxation information

Further information about taxation is available in a separate document, the Reference Guide, which forms part of this PDS.

## 8. How to apply

To apply please complete the Application Form accompanying this PDS. Please note that only applications will be accepted on a cleared-funds basis and that cash cannot be accepted.

If you are investing indirectly through a Service, you may invest in the Fund by directing your Service operator to lodge an application with us. You should complete any relevant forms provided by your Service operator.

### Who can invest

The Fund is intended to be made available for investment to Retail and Wholesale Clients, whether individuals, joint investors, trusts, clubs, associations, partnerships, companies or trustee(s) of a self-managed superannuation fund. Applicants must be 18 years of age or over at the point of submitting the Application Form. Please contact your financial adviser or the Responsible Entity if you would like any assistance in determining whether you are a Wholesale Client. US Persons generally cannot invest in the Fund.

### Your cooling-off rights

If you are a Retail Client (as defined in the Corporations Act) a 14 day cooling off period applies, during which you may change your mind about investing in the Fund and request that your application money be returned. The 14 day cooling off period commences on the earlier of:

- Confirmation of the application received; or
- The fifth Business Day after the day when the Units were issued.

Cooling off rights do not apply to Wholesale Clients or where Units are issued to investors as a result of distribution reinvestments. Further, if you are investing indirectly through a Service, no cooling off rights apply in respect of any investment in the Fund acquired by your Service operator on your behalf. For information about any cooling off rights that may apply to you in respect of the Service that you invest through, please contact your Service operator directly or refer to their offer document.

### Enquiries and complaints

The Responsible Entity has established procedures for dealing with complaints. If an investor has a complaint, they can contact the Responsible Entity or the Manager during business hours.

The Responsible Entity will use reasonable endeavours to deal with and resolve the complaint within a reasonable time but in any case, no later than 45 days after receipt of the complaint.

If an investor is not satisfied with the outcome, the complaint can be referred to the Australian Financial Complaints Authority (“AFCA”). You can contact AFCA on 1800 931 678, or by writing to:

Address: Australian Financial Complaints Authority  
GPO Box 3  
Melbourne VIC 3001

Email: [info@afca.org.au](mailto:info@afca.org.au)

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

All investors (regardless of whether you hold Units in the Fund directly or hold Units indirectly via a platform) can access the Responsible Entity’s complaints procedures outlined above. If investing via a platform and your complaint concerns the operation of the platform then you should contact the platform operator directly.