

# CFS Edge Investments

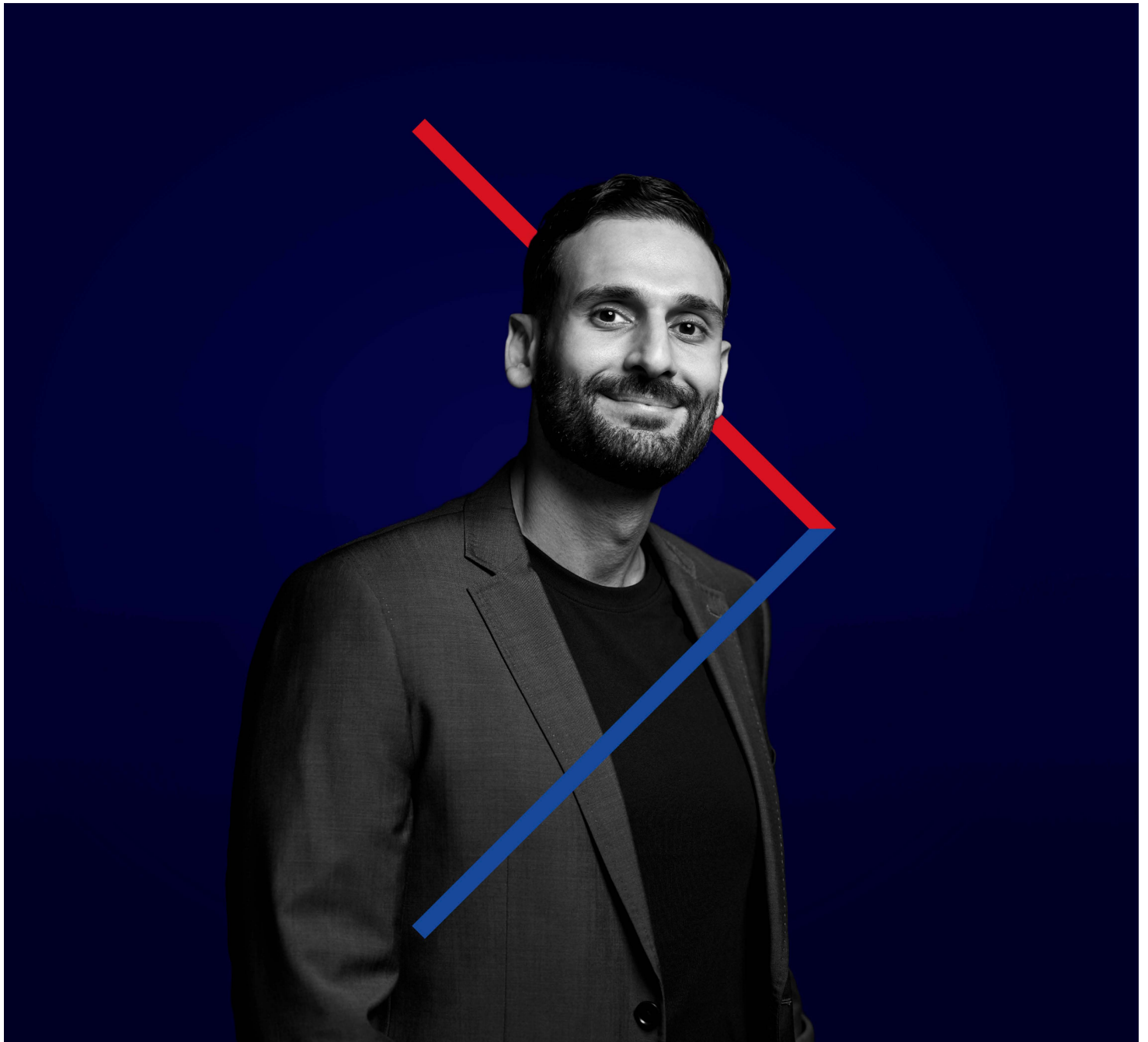
## Investor Directed Portfolio Service (IDPS) Guide

Issue No 2024/1, dated 27 April 2024

Issued by Colonial First State Investments Limited

ABN 98 002 348 352, AFSL 232468 (CFSIL)

the operator of CFS Edge Investments



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The information provided in this document is general information only and does not take into account your objectives, personal financial or taxation situation, or needs. Because of that, before acting on the information, you should consider its appropriateness having regard to these factors. You should talk to your adviser and obtain financial advice relevant to your personal circumstances, and you should consider the CFS Edge Investments IDPS Guide, before making any decision to acquire, or continue to hold, an interest in CFS Edge Investments.

### Target Market Determination

The Target Market Determination (TMD) for this product can be found at [cfs.com.au/cfsedge](https://cfs.com.au/cfsedge) under 'Offer documents'. TMDs include a description of who a financial product is appropriate for (the target market).

### About the Service

The terms of CFS Edge Investments (the Service) are contained in The Avanteos Wrap Account Service Deed Poll (the Deed) dated 14 February 2003, as amended, and this Investor Directed Portfolio Service Guide (IDPS Guide).

This IDPS Guide is issued by Colonial First State Investments Limited ABN 98 002 348 352, AFSL 232468 (the Operator, CFSIL).

This IDPS Guide is a contract offer under the Deed, which is entered into when we accept your application. If there's any inconsistency between the Deed and the IDPS Guide, the Deed will prevail. If any provision of the IDPS Guide is found to be invalid or unenforceable under the law, it's excluded so that it doesn't in any way affect the validity or enforceability of the remaining parts. You can ask us for a copy of the Deed free of charge or access a copy online at [cfs.com.au/cfsedge](https://cfs.com.au/cfsedge)

### Updated information

The information in this IDPS Guide may change from time to time. If the change is materially adverse, we'll re-issue the IDPS Guide or issue a Supplementary IDPS Guide. Information contained in this IDPS Guide which isn't materially adverse is subject to change and may be updated via our website. Product updates can be found at any time at [cfs.com.au/cfsedge](https://cfs.com.au/cfsedge). You can also obtain updated information by asking your adviser or contacting us on 1300 769 619.

### About the Operator, Custodian and Administrator

Colonial First State Investments Limited ABN 98 002 348 352, AFSL 232468 (CFSIL, Operator, Administrator, we, us or our) is the operator, administrator and custodian of the Service and is responsible for the operation and management of the Service.

As custodian, it's CFSIL's responsibility to hold the assets, including investments, on behalf of investors or by a sub-custodian, rather than by you directly. CFSIL is also the administrator of CFS Edge Super and Pension. The relevant Financial Services Guide (FSG), available at [cfs.com.au/cfsedge](https://cfs.com.au/cfsedge), provides more information about us.

Colonial First State (CFS) is Superannuation and Investments HoldCo Pty Limited ABN 64 644 660 882 and its subsidiaries which include Colonial First State Investments Limited ABN 98 002 348 352, AFSL 232468 (CFSIL). CFS is majority owned by an affiliate of Kohlberg Kravis Roberts & Co. L.P. (KKR), with the Commonwealth Bank of Australia ABN 48 123 123 124, AFSL 234945 (CBA) holding a significant minority interest. The investment performance and the repayment of capital of CFSIL products is not guaranteed. Investments in CFSIL products are investment-type products subject to investment risk, including possible delays in repayment, and loss of income and capital invested.

CFSIL is not a registered tax (financial) adviser under the *Tax Agent Services Act 2009* (Cth). You should seek tax advice from a registered tax agent or a registered tax (financial) adviser if you intend to rely on this information to satisfy the liabilities or obligations or claim entitlements that arise, or could arise, under a taxation law. Taxation considerations are general and based on present taxation laws, rulings and their interpretation as at 1 April 2024. You should seek independent, professional tax advice before making any decision based on this information.

We may retire as Operator and appoint a replacement Operator (such as a related body corporate) and transfer all rights and obligations under your contract to that Operator, provided that this retirement is consistent with the law and the Deed Poll.

### About your adviser

All references to 'adviser' and 'licensee group' are to the person named as the adviser on your application form and their relevant licensee group.

# About CFS Edge Investments

CFS Edge Investments is an Investor Directed Portfolio Service (IDPS).

CFS Edge Investments is a one-stop online service that makes investing easy and offers you professional savings, trust, and self-managed super fund (SMSF) solutions. With a diverse range of investment products available, we offer flexible investment solutions that are easy to understand and with the guidance from your adviser, are designed to help you achieve your financial goals.

CFS Edge Investments provides integrated administration and comprehensive reporting services to allow you and your adviser to easily monitor and manage your portfolio.

You can also control your cash flow to suit your specific needs through a range of regular facilities or ad hoc transactions.

CFS Edge is an investment platform that can administer shares, term deposits, unlisted investments, ETFs, managed funds, managed accounts (separately managed accounts and managed discretionary accounts), and other

investment products and services within a single account. It also provides access to insurance (if applicable) and sophisticated tax management facilities, so you and your adviser can design a portfolio to suit your investment needs.

All CFS Edge accounts can only be opened through a licensed adviser who is registered to use CFS Edge. There are limited circumstances where we will permit direct clients to open accounts without an adviser, at our discretion.

## What's an IDPS?

With an IDPS, your transactional, custodial and reporting services are contained within a single administration platform. Your investments are administered through our centralised service. With your consent, your adviser can make transactions on your behalf and manage the administration of your investments.

### How to use this IDPS Guide

This IDPS Guide is a summary of significant information and contains a number of references to important information that form part of the IDPS Guide. The important information is set out in the documents listed on the right.

#### Contact details

CFS Edge  
Locked Bag 20130  
Melbourne VIC 3001  
Phone: 1300 769 619

You should consider all the information in the documents shown below before making a decision about investing, or continuing to hold an interest, in the Service.



#### IDPS Guide (this document)

Contains key information about the features, benefits, risks and costs of investing in CFS Edge Investments.



#### Other Important Information

Contains information about how to manage your account.



#### Investment list

Lists the separately managed accounts (SMAs), managed funds, term deposits and listed securities available through the Service. Your adviser can provide you with more information on the investments available.



#### SMA PDS

Reference to 'SMA PDS' in this document means a PDS issued by CFSIL or any other responsible entity that operates SMAs through CFS Investments.



#### Insurance offers

Please refer to the relevant insurer's PDS which describes the insurance offering available.

These documents are available online at [cfs.com.au/cfsedge](https://cfs.com.au/cfsedge), from your adviser, or by calling us on 1300 769 619. If you're unable to access the information online, you can request a copy of these documents and the relevant FSG from your adviser or by calling us.

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# Benefits of investing

CFS Edge is designed to help you achieve your financial goals. In addition to a full administration service, we offer access to a diverse range of investments, the flexibility to design a portfolio that suits your investment needs, and comprehensive reporting.

## Investment choice

CFS Edge Investments gives you and your adviser access to a diverse range of investments, including:

- separately managed accounts (SMAs) including the Accelerate Series
- managed funds
- Australian listed securities (unless a restricted stock in accordance with the *Corporations Act 2001* (Cth) section 611), including:
  - fixed interest rate securities
  - exchange-traded funds (ETFs)
  - listed investment companies (LICs) and listed investment trusts (LITs)
  - hybrid securities
- international listed securities as detailed in the Investment list available at [cfs.com.au/cfsedge](https://cfs.com.au/cfsedge)
- term deposits
- cash.

A range of Environmental, Social and Governance (ESG) investment options are also available.

The managed funds available through CFS Edge span a wide range of asset classes including cash, Australian and global shares, listed and unlisted property, and fixed interest. The CFS Edge Investment list is reviewed regularly by the Operator. You can find an up-to-date list of all the investments available through CFS Edge Investments on the Investment list at [cfs.com.au/cfsedge](https://cfs.com.au/cfsedge)

CFS Edge offers a range of SMAs developed by professional portfolio managers as part of its comprehensive investment menu. For more information on the SMAs available including the Accelerate Series, please refer to the Investment list at [cfs.com.au/cfsedge](https://cfs.com.au/cfsedge) and the relevant SMA PDS available from your adviser.

## Access

It's easy for you to view and keep track of your CFS Edge account(s). You can access your account(s) quickly and easily on the go through:

- our online portal
- the CFS Edge mobile app.

When you sign up to the Service, we'll provide you with instructions on how to set your password so you can get started online.

## Flexibility

CFS Edge Investments offers a tailored service. You and your adviser may choose to:

- deposit a fixed amount or set up regular deposits into investments held in your account
- establish and maintain a predetermined investment strategy through an automatic investment of excess cash and income distributions
- regularly review your portfolio to align with your investment strategy
- establish a customised regular sell strategy, providing greater control over the available cash in your account to meet upcoming payments
- reinvest income back into investments or an investment model or model portfolio.

## Suitable for SMSFs

CFS Edge Investments can be used to administer the investments within an SMSF. CFS Edge Investments offers a range of tax management tools, third-party access, comprehensive investment choice, and great value.

## Quality reporting

The Service consolidates all your investments through the one account, allowing you and your adviser access to comprehensive reporting, including:

- the current and historical valuation of your portfolio from your account's inception
- a list of transactions for each of your investments and cash holdings
- the proportion of your investments held in key asset classes
- capital gains information including details of any investments sold.

## Value of quality advice

Australians can benefit from quality financial advice, and your adviser could help you on the path to financial freedom. CFS Edge is designed to be accessed by and managed through an adviser (unless expressly permitted by us as a direct client). We'll work closely with your adviser to help make their advice accessible to you.

## Value for money

We aim to provide a competitively-priced product that gives you value for money. By combining related accounts into a family billing group, you can potentially realise even greater value through fee aggregation. By linking your account with related members in your family billing group (for example, your husband, wife or SMSF), the Administration fee is applied to the combined value of the accounts, which may potentially lower the overall fees.

CFS Edge may also offer a range of investment options that attract no Administration fees. For more information on how this is applied, refer to the 'Fees and other costs' section. A list of eligible managed funds can be found in the Investment list when they're available.

## How your adviser can help

Your adviser plays an important role in managing your CFS Edge account and helping you reach your goals.



### Tailor

Establish a transaction account and tailor an investment strategy aligned to your goals.



### Manage

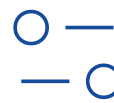
Manage your investments and account preferences online.

- Establish regular deposits
- Automate regular investments.



### Build

Tap into a full range of portfolio construction tools that seamlessly integrate with CFS Edge to build and manage your unique portfolios.



### Expertise

Diversify your investments across a range of investment types, asset classes and investment styles.



### Plan and protect

Arrange the payment of your external insurance policy premiums through your CFS Edge Investments account.

# Key features

CFS Edge Investments	
Who can invest in this product?	<ul style="list-style-type: none"> <li>• individuals</li> <li>• joint investors</li> <li>• partnerships</li> <li>• companies</li> <li>• trusts</li> <li>• trustees of SMSFs.</li> </ul>
Deposit options	<ul style="list-style-type: none"> <li>• direct debit<sup>1</sup></li> <li>• BPAY®</li> <li>• direct credit<sup>2</sup></li> <li>• asset transfer.<sup>3</sup></li> </ul>
Investment options	<ul style="list-style-type: none"> <li>• cash</li> <li>• managed funds</li> <li>• Australian listed securities</li> <li>• international listed securities</li> <li>• fixed interest</li> <li>• ETFs</li> <li>• SMAs (includes the Accelerate Series).</li> </ul>
Minimum initial deposit	\$20,000
Minimum additional deposit	Nil
Minimum regular deposit	\$100. Each time you make additional deposits under a regular deposit arrangement, please be aware that you may not have the current product disclosure document for your investment. You should obtain the current document from your adviser.
Minimum account balance	\$20,000
Minimum cash account balance	The lower of \$2,500 or 0.5% of the total account balance. You'll also need to have additional funds in your cash account to cover the value of any regular payments or insurance premiums (for linked insurance policies) due over the next two months. Any foreign currency held by you is not included when determining if you hold the minimum cash account balance.
Minimum withdrawal	\$500
Minimum regular withdrawal amounts	\$100
Asset transfers out	An in-specie transfer fee of \$100 per managed fund or listed security. Stamp duty may also apply.
Minimum managed fund transaction	Please refer to the relevant managed fund PDS for investment/transaction minimums.
Minimum Australian listed security transaction <sup>4</sup>	Buy orders – \$500 Sell orders – Nil
Minimum international listed security transaction	The greater of \$1,000 for any parcel or minimum trade lot relevant to the security/market. <sup>5,6</sup>
Minimum SMA transaction	Please refer to the relevant SMA PDS for investment/transaction minimums.
Minimum regular investment amount	\$100

## CFS Edge Investments

Reporting and statements	<p>You have access to a range of account information and reports online, including:</p> <ul style="list-style-type: none"><li>• portfolio valuation and asset allocation</li><li>• transaction listing and capital gains tax reporting.</li></ul> <p><b>Statements</b></p> <ul style="list-style-type: none"><li>• Annual statement</li><li>• Annual tax statement</li><li>• Audit certificate.</li></ul>
Insurance	<p>CFS Edge can support the payment of regular premiums for authorised providers' insurance policies. Please contact your adviser for more information.</p>
Income/dividend reinvestment facility	<p>Yes (dividend reinvestment is not available for international listed securities)</p>

- 1 Foreign currency deposits are not supported by the direct debit process.
  - 2 Deposits of foreign currency can only be made to your CFS Edge Investment account via direct credit with prior written approval from us.
  - 3 Asset transfers are subject to our approval.
  - 4 Transaction fees and costs should be considered when placing trades. This will ensure there is sufficient funds to cover any fees and costs applicable for orders, and any expected net proceeds from orders where they are deducted. Please refer to the 'Transactional and operational costs' section for more information.
  - 5 Please contact the relevant exchange for further information on specific market requirements for trading lot sizes. Trading lots are the standard number of units in a trading security or the number of currency units you will buy or sell.
  - 6 Transaction fees and costs should be considered when placing international listed security trades. To ensure there are sufficient funds to cover any fees and costs applicable to the order, you will not be able to use 100% of available cash when placing the trade. Please refer to the 'Transactional and operational costs' section for more information.
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# How your account works

CFS Edge has been designed to provide you and your adviser with an effective and efficient means to manage your total portfolio and make the most of your investments.

Your adviser plays an important role in helping you develop a personalised financial plan. Your adviser can:

- assist you in determining whether CFS Edge is a suitable product for you and your personal circumstances
- help you develop a personalised investment strategy and advise you on how to manage your CFS Edge account
- advise you on which investments are right for you
- perform certain transactions on your CFS Edge account online where applicable
- keep track of how your funds are invested
- monitor the performance and generate insights for your account
- generate reporting on your CFS Edge account.

When you join CFS Edge, you provide authorisation for your adviser to provide instructions on your behalf. Changes are made in accordance with your specific instructions or in line with your pre-determined investment strategy. We'll only accept and act upon investment instructions, including your application and initial investment, from your adviser. You won't be able to provide investment instructions directly to us if you have a licensed adviser authorised on your account.

We may, at our discretion, allow information to be provided to a third party at your adviser's instruction, including to approved providers of software used by advice practices. Where requested, we may send data for accounts associated with an adviser that includes account, investor, transaction and income details. Your adviser may be entitled to receive remuneration based on the instructions provided to us, as outlined in the 'Fees and other costs' section of this document.

CFS Edge is intended to be used together with your adviser (unless expressly permitted by us as a direct client). If you no longer have an adviser authorised to use our financial products, your account won't be actively managed or monitored and there will be some changes to services applicable to your account. We may also contact you to close your account where we no longer offer these services. Please refer to the 'What happens if you no longer have an adviser?' section in the Other Important Information brochure for more information.

A copy of our Non-advised investor policy is available online at [cfs.com.au/cfsedge](https://cfs.com.au/cfsedge) or alternatively, a copy can be provided to you on request. Please contact us on 1300 769 619 if you no longer have an adviser.

In the event we're notified of your death, your adviser will no longer be able to transact on your account. Please refer to the 'What we do in the event of your death' section of the Other Important Information brochure.

## Benefits from linking related accounts in a family group

Subject to privacy and consent requirements being met, you can apply to us to have your account grouped with other CFS Edge accounts held by:

- you
- members of your immediate family including your spouse (married or de-facto), children, parents, siblings, grandparents or grandchildren
- companies, trusts or SMSFs, of which you or a member of your immediate family are the director, trustee or beneficiary.

If you link CFS Edge accounts within a family billing group, you can potentially lower the Administration fee you pay.

We reserve the right to refuse requests for accounts to be combined in a billing group (for example where the account holder, including trustees and directors, is not a member of your immediate family). This may result in changes to the Administration fee you pay or the portfolio reporting available to your adviser.

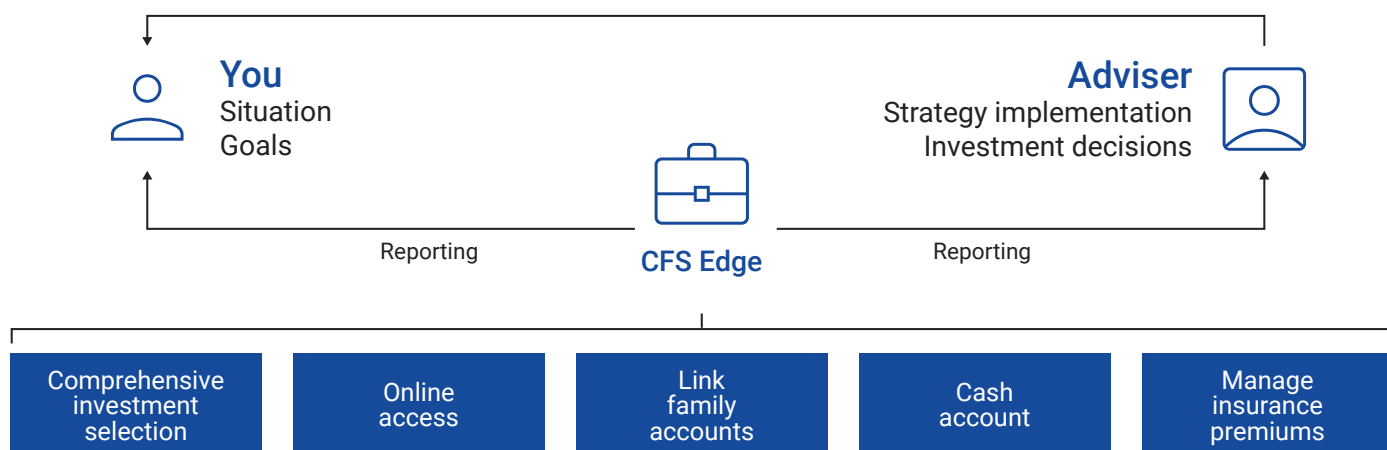
You can notify your adviser or us at any time to unlink your account with family members. However, this could lead to an increase in the Administration fee you will pay.

If you link CFS Edge accounts within a family reporting group, your adviser can consolidate reporting for accounts held by you and other immediate family members – subject to privacy requirements being met.

Please refer to 'Fee aggregation' in the 'Fees and other costs' section, and 'Consolidated reporting' and 'Accessing your accounts' under the 'Keeping you informed' section for more information.



## Your CFS Edge Investments account



### Your cash account

Your account includes a cash account, which forms the central transaction hub of your CFS Edge account. Your cash account is used to:

- receive deposits
- purchase investments and receive proceeds from the sale of investments
- pay fees, charges and taxes
- pay withdrawals, including insurance premiums (if applicable) and purchase other investment products
- receive income from your investments.

Your investments will be held in your cash account until clear investment instructions have been received, and your selected investments have been purchased.

We'll only withdraw or move the funds held in your cash account:

- where clear investment instructions have been received to purchase your selected investments
- to pay fees, charges, taxes and insurance premiums (if applicable)
- in accordance with your investment or withdrawal instructions (for example, investing excess cash, reinvesting your managed fund income, making a withdrawal or setting up a regular withdrawal).

For more information on your cash account and how we process your transactions, refer to the 'Managing your account' section in the Other Important Information brochure.

### Australian dollar holdings

The cash account is a deposit established by us with Commonwealth Bank of Australia and any other bank we select from time to time. All balances within the cash account are pooled and held in trust by the custodian.

Interest is accrued daily on your end of day Australian dollar balance and is credited to your account on the 1<sup>st</sup> of the month for the previous month, or upon closure of your account based on the number of days your account is open.

Interest is accrued at a rate set by us and the Administrator, equal to the difference in the rate of interest we earn on your cash account and the Cash account fee. Details of the fee applying to the cash account are available in the 'Fees and other costs' section of this IDPS Guide.

## Foreign currency holdings

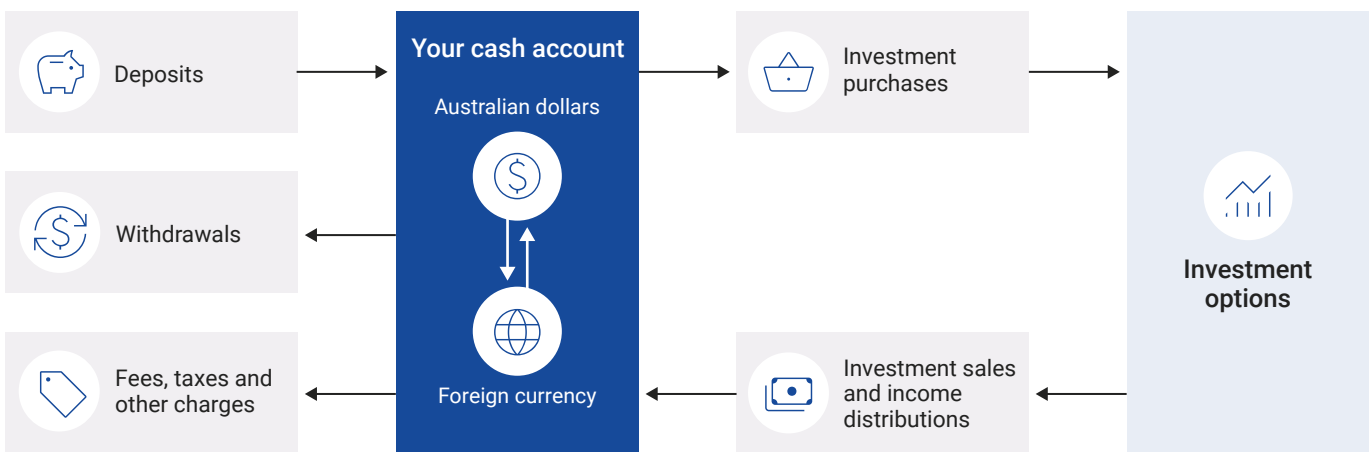
Foreign currency is held on deposit in a pooled bank account for each currency under a custodial arrangement. A third party has been appointed for the purpose of managing foreign currency deposits.

You can use any foreign currency held to purchase international listed securities. Any distributions or sale proceeds from your international listed securities will be paid in the currency supported by the exchange. You can convert these amounts to another currency once received. You cannot make direct foreign currency deposits into your cash account from an external bank account without prior written approval from us.

Foreign currency holdings are offered to support international listed security trading. Where you hold only foreign currency for an extended period of time, we may ask you or your adviser to consider the costs associated with holding only foreign currency or convert your foreign currency held into Australian dollars.

Any interest earned on foreign currency is retained by us. Where a currency you hold incurs negative interest, this cost will be borne by us.

## How your CFS Edge cash account works



## Minimum cash balance

You're required to maintain a minimum balance in your cash account of the lower of \$2,500 or 0.5% of the total account balance, plus the value of any regular payments or insurance premiums (for linked insurance policies) due over the next two months. Any foreign currency held by you is not included when determining if you hold the minimum cash account balance.

You and your adviser are responsible for ensuring that sufficient funds are maintained in your cash account. You can also set minimum cash balance thresholds above the product default minimum cash balance. Any provisions for regular payments will still apply. For more information, refer to the 'Minimum cash balance' section under 'Managing your account' in the Other Important Information brochure.

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## Your foreign currency holdings

If your portfolio contains foreign currency, it will be held in your cash account with no minimum balance requirement. Interest is not paid to you on balances held in foreign currency and any interest earned is retained by us. Where a currency you hold incurs negative interest, this cost will be borne by us.

Foreign currency can be purchased using any available cash in your account. International listed securities can only be purchased using the currency accepted by the relevant exchange. If you do not hold the currency required to complete a trade, you can instruct us to convert Australian dollars, or any other foreign currency held in your cash account, into the currency accepted by that exchange.

Ad hoc foreign currency deposits may be made directly into your CFS Edge Investments account with prior written approval from us.

Proceeds from the sale of international listed securities will be settled in the currency supported by the relevant exchange unless you elect to have the settlement proceeds paid in an alternative currency, including Australian dollars. If you elect for settlement proceeds from the sale of an international listed security to be paid in another currency, the following will occur:

- The sale will first be settled in the currency supported by the relevant exchange.
- An amount equal to the net settlement proceeds will then be converted post-trade settlement into your nominated currency.

Where foreign currency conversions are required, a Foreign currency conversion fee is added to the exchange rate applied. A portion of the fee is paid to third parties and the remainder is paid to us.

Foreign currency cannot be withdrawn from the platform and deposited into an external bank account without a currency conversion. Approval may be sought from us to allow for exceptions for one-off withdrawals in foreign currency, and will only be permitted with our prior written consent. To withdraw foreign currency from CFS Edge, funds must first be converted into Australian dollars and then withdrawn from the Australian dollar holdings in your cash account. Foreign currency cannot be used to fund regular withdrawals.

The Australian dollar equivalent of the balance of foreign currency holdings in your portfolio will be included in the calculation of your portfolio total. Any foreign currency held by you is not included when determining if you hold the minimum cash account balance.

Deposits held in currencies other than Australian dollars are not covered by the Australian Government Financial Claims Scheme.

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# Risks of investing

Before you consider investing in CFS Edge, it's important you understand the risks that can affect your investments.

## What is risk?

All investments carry risk. Different strategies may carry different levels of risk, depending on the investments that they contain. Each person's attitude to risk will vary, depending on a range of factors including age, investment timeframes, other investments you hold, and your risk tolerance.

Investments with the highest long-term returns may also carry the highest level of short-term risk. You should be aware that the value and level of returns of investments will vary, future returns may differ from past returns, and there may be a loss of principal, capital or earnings. Returns are not guaranteed, and the value of your account can rise and fall over time.

## General risks

There's a risk that laws (including tax laws) may change in the future and may adversely affect your investment.

Delays in buying and selling investments may occur if a transaction request is not fully completed or signed.

## Technology risk

CFS Edge uses technology to manage your account. As with any service that uses technology systems, there's a risk that these may fail, resulting in an impact to customers or business operations. There's also technology security risk should there be unauthorised access into these systems or data. These risks are managed through rigorous testing and controls, however you should be aware of the impact this risk may have on processing your requests.

We, the Administrator and custodian, also rely on third-party providers for various services. Should there be an error in data they've provided, or a delay due to a failure in their technology or systems, this may impact the processing of transactions, accuracy of reporting and managing your account in accordance with timeframes. These risks are managed through agreements with those third-party providers including service level agreements that outline timeframes for fixing delays.

## Market risk

Investment returns are influenced by the performance of the market as a whole. This means your investments can be affected by things like changes in interest rates, investor sentiment and global events, depending on which markets or asset classes you invest in and the timeframe you're considering. Previous returns don't predict future performance.

## Security and investment-specific risk

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

## Currency risk

Investments in global markets or securities which are denominated in foreign currencies give rise to foreign currency exposure. This means that the Australian dollar value of these investments may vary depending on changes in the exchange rate. Investment options which have significant currency risks adopt different currency management strategies. These strategies may include currency hedging, which involves reducing or aiming to remove the impact of currency movements on the value of the investment, whereas some investment options remain unhedged.

Foreign currency held by you within your account exposes you to market fluctuations of foreign exchange rates.

## Legal and regulatory risk

This is the risk that any change in taxation, corporate or other relevant laws, regulations or rules may adversely affect your investment.

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## Liquidity risk

Liquidity risk refers to the difficulty in selling an asset for cash quickly without an adverse impact on the price received. Assets such as shares in large listed companies are generally considered liquid, while 'real' assets such as direct property and infrastructure are generally considered illiquid.

Under abnormal or difficult market conditions, some normally liquid assets may become illiquid. An illiquid investment is defined as an investment that takes longer than 30 days to be sold or, if it could be sold in less than 30 days, it would have a significant adverse impact on the value realised on redemption.

If you choose to hold an illiquid investment, you may not be able to redeem that investment to cash in order to withdraw from CFS Edge.

Refer to the 'Illiquid investments' section in the Other Important Information brochure for more information.

## Counterparty risk

This is the risk that a party involved in a transaction such as a swap, foreign currency forward or stock lending fails to meet its obligations such as delivering a borrowed security or settling obligations under a financial contract.

## Custodian risk

Investments in CFS Edge are held in the name of the custodian or sub-custodian. This means that there's a risk that a custodian or sub-custodian fails to adequately account for assets for the benefit of the investor.

## Environmental, social and governance risk and climate risk

The value of individual investments may be influenced by ESG factors. These risks may be real or perceived and may lead to financial penalties and reputational damage. For example, environmental risks include waste and pollution, resource depletion and land use. Social risks are where the investment may be affected by social, labour and human rights risks and cover health and safety, human rights and labour standards. Governance risks can affect the sustainability of an investment and cover business practises such as Board diversity and independence, voting procedures, transparency and accountability.

Climate change also poses a risk – not only to the environment, but also to the broader economy and valuation of an investment. Typically, climate change risks can be split between physical and transition risks.

- Physical risks refer to the direct impact that climate change has on our physical environment. For example, a company's revenue may be reduced due to weather events and this may decrease the value of the company's shares.
- Transition risks refer to the much wider set of changes in policy, law, markets, technology and prices. These may be needed to address the mitigation and adaptation requirements which are necessary for the transition to a low carbon economy.

## Term risk

This is the risk associated with investing funds at a fixed rate of interest for a specified term. If interest rates rise – including owing to factors such as inflation – then the investor could have obtained more returns from investing for a shorter term, multiple times.

## Credit risk

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

## Equity risk

This is the risk – or the potential for additional variability in returns – which comes from investing in companies, generally driven by growth in earnings and dividends.

## Small cap risk

This is the risk associated with investing in smaller companies, which generally exhibit higher growth rates, while also carrying greater risk compared to larger companies.

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## Emerging markets risk

Due to the nature of the investments in emerging markets, there is an increased risk that the political and/or legal framework may change and adversely impact your investments. This could include the ability to sell assets. Options that invest in global markets may have exposure to emerging markets.

## Derivatives risk

Derivatives are contracts between two parties that usually derive their value from the price of a physical asset or market index. They can be used to manage certain risks in investment portfolios or as part of an investment strategy. However, they can also increase other risks in a portfolio or expose a portfolio to additional risks. Risks include: the possibility that the derivative position is difficult or costly to reverse; that there is an adverse movement in the asset or index underlying the derivative; or that the parties do not perform their obligations under the contract.

## Gearing risk

This is the risk associated with an option that uses borrowing to invest. Gearing can magnify gains and always magnifies losses, based on the performance of the investments. For example, when geared at 50%, if the growth of underlying investments is less than the option's borrowing and administration and investment fees and costs, then it is unlikely that the geared option will outperform an equivalent ungeared portfolio. Consequently, a geared option will not always magnify market gains (particularly in a low return environment), but it will always magnify market losses.

In extreme market conditions, you may lose all your capital. We suggest you consult a financial adviser regarding the impact of these investments on your overall portfolio.

## Short selling risk

Short selling means the option sells a security it does not own to try and profit from a decrease in the value of the security. This is generally done by borrowing the security from another party to make the sale. The short sale of a security can greatly increase the risk of loss, as losses on a short position are not limited to the purchased value of the security.

### More information on specific investment risks

You can find more information on the risks associated with your selected investments in the investment's disclosure documents, available on request from your adviser. You should also refer to the Other Important Information brochure for risks associated with different investment categories.



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# How we invest your money

Your adviser will work with you to implement an investment strategy that suits your individual goals and objectives.

## Investment options

CFS Edge Investments provides access to SMAs, managed funds, international listed securities and ASX listed securities (unless a restricted stock in accordance with the *Corporations Act 2001* (Cth) section 611).<sup>1</sup> A comprehensive range of fixed interest products are also available, giving you a wide choice of providers and terms.

An up-to-date list of the investments available through CFS Edge Investments is available at [cfs.com.au/cfsedge](https://cfs.com.au/cfsedge), or by contacting us or your adviser.

## Model portfolio

You and your adviser can choose to use a model portfolio to invest in a predetermined allocation of SMAs, managed funds, Australian listed securities and cash. Your model portfolio may be linked to your regular orders such as contributions, buy orders or income reinvestment, as requested.

Your investments can also be realigned to the model portfolio allocations through ad hoc rebalancing or regular (automatic) rebalancing.

If you and your adviser select a model portfolio with automatic rebalancing, your portfolio could be rebalanced daily, weekly, fortnightly, monthly, quarterly, half-yearly or yearly. For more information about rebalancing, speak to your adviser.

Your adviser and/or your adviser's licensee group will also have the ability to initiate a rebalance on your account on an ad hoc basis to realign your account to the predetermined model portfolio. Model portfolio fees and transaction costs may apply for buying and selling investments. These transactions may also have tax consequences. Read the 'Fees and other costs' section in this IDPS Guide for more information about these costs.

## SMAs

CFS Edge offers a range of SMAs developed by professional portfolio managers as part of its comprehensive investment menu. For more information on the SMAs available, please refer to the Investment list and the relevant SMA PDS available from your adviser. Note: Certain SMAs are only available to specific advisers and licensee groups.

## Accelerate Series SMAs

The Accelerate Series SMAs are a managed account solution enabling access to professionally constructed portfolios at a reduced cost.

The Accelerate Series is available via two categories of SMAs:

- **Accelerate 100** which offers a 100% discount on Administration fees; and
- **Accelerate 30** which offers a 30% discount on Administration fees.

Please refer to the Managed Accounts section of the Investment List for the list of Accelerate 30 and Accelerate 100 SMAs.

For more information about the Administration fee discounts, refer to 'Fees and other costs'.

## MDAs

CFS Edge may permit third parties to provide you with MDA services in connection with your account. Your appointed MDA service provider is solely responsible for the MDA service. The Operator isn't a party in your agreement with the MDA service provider, and will act on instructions provided by the MDA service provider whom you appoint to make investment decisions on your behalf.

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<sup>1</sup> The complete range of investment options offered on the Edge Investment list may not be available to every member/investor. You can obtain an up-to-date list of the investments available to you through CFS Edge Investments at [cfs.com.au/cfsedge](https://cfs.com.au/cfsedge), from your adviser or by contacting us.

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## Your investment strategy

Until you choose an investment strategy, your investment will remain in your cash account, including any directly credited foreign currency.

It's important when determining your investment strategy to consider the likely investment return, the level of risk and your investment timeframe. Before you make a decision, you should review the disclosure documents for the investments you're considering to ensure they meet your needs and are in line with your investment strategy. You can obtain a copy of the disclosure documents from your adviser.

Neither the Operator nor our related entities guarantee your investment in CFS Edge Investments, any income, or the rate of return. The value of your account will rise or fall depending on the performance of the investments selected.

## Investment list

The Operator, through its Board, determines which investments will form part of the Investment list. The Board meets at least quarterly and reviews potential new investments against its Investment Governance Framework.

The Investment Governance Framework takes a number of factors into account when considering the addition of new investments, including liquidity, whether the investment can be administered in a pooled environment, and the costs associated with administering the investment. The Investment list is not constrained by products issued by the Operator; all investments meeting the Operator criteria may be approved for investment.

The Investment Governance Framework is applied to all investments and considers any related party relationship that may exist between an investment and the Operator of the product.

## Investing through CFS Edge Investments

Investing through CFS Edge isn't the same as holding investments directly. Here are some of the main differences of investing through our other types of investment options:

- You can access managed investments, generally with wholesale fees.
- The custodian is the legal owner of the investments, and you're the beneficial owner.

- In certain circumstances, we have the right to convert investments to cash. This includes selling investments to maintain minimum cash requirements.
- Communications regarding your holdings in SMAs, listed securities or managed funds will be sent to your adviser directly, if you have one.
- We can exercise the rights as a shareholder in listed securities or as a unit holder in managed funds.
- Providing investment instructions to the Operator must be done by your adviser, if you have one.

Some rights aren't available to you when you invest through CFS Edge, as described below:

- Cooling-off rights – these are in the underlying managed funds or SMAs. These rights may be important where underlying investments have infrequent or restricted redemption windows. Please speak to your adviser for more information.
- Withdrawal rights – if an underlying investment's disclosure document is defective before the issue of the investment, you might not have the same withdrawal rights as if you'd invested in the options directly. If this occurs, the product issuer won't be required to return the investment or provide you with other options. Where practical, we'll provide you with information regarding withdrawal options and any updated disclosure as soon as possible. We'll also act on your or your adviser's instructions as to how to exercise any withdrawal options (if provided), where practical.
- Voting rights – our voting policies are explained in the 'CFSIL Responsible Investment Policy, found at [cfs.com.au/content/dam/cfs-winged/documents/about-us/corporate-governance/CFSIL-Responsible-Investment-Policy.pdf](https://cfs.com.au/content/dam/cfs-winged/documents/about-us/corporate-governance/CFSIL-Responsible-Investment-Policy.pdf)
- Listed security investments – these are held in the name of the custodian, which means you generally won't receive communications about your shareholdings from the listed company.

For more information about corporate actions and voting rights, refer to the Other Important Information brochure.

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## Investment income

When investment income is received into your CFS Edge account, it can either be:

- converted from a unit distribution/dividend allocation and paid to your cash account
- reinvested as additional units back into the investment, without conversion to your cash account – referred to as a Dividend (or Distribution) Reinvestment Plan (DRP)
- paid to an external bank account.

When you choose to reinvest income, via a DRP or your investment strategy, this is known as 'income reinvestment'.

DRP is a plan offered by a company or fund manager that allows you to automatically reinvest your dividends into additional shares of the company or reinvest your distribution into additional units in the same managed fund. CFS Edge permits a DRP facility wherever this can be offered by the eligible company or managed fund. Generally, there is no brokerage or other transaction costs payable to acquire additional shares or units via a DRP. When you elect to participate in a DRP via CFS Edge, it means you do not receive a cash dividend/distribution.

The default treatment for all eligible investment income received is to pay it directly into your cash account. Your minimum cash balance setting will determine whether income received is automatically reinvested according to your investment strategy for amounts above the minimum. When you nominate to automatically reinvest cash that has been converted from a unit distribution or dividend payment in your cash account, back into the same listed security or managed fund via your investment strategy, brokerage and/or transaction costs may be applicable. Also, depending on your cash account settings, income reinvestment can occur as a proportion of your cash dividend/distribution entitlement, or for the whole amount.

You should be aware that not all managed funds or listed securities offer a DRP and pay income at different times throughout each year and at different frequencies. We may also exercise our discretion to refuse participation in a DRP as we deem appropriate. If a DRP is offered for a listed security, they can be subject to suspension or be withdrawn at any point in time by the company.

Please refer to the 'Investing (How do I...)' and 'Minimum cash balance' sections of the Other Important Information brochure for more information and the relevant disclosure document or prospectus to determine whether DRP is available for your chosen investment and any conditions that may apply.

## Investing in Accelerate Series SMAs

For an SMA to qualify for the Accelerate Series, Portfolio Managers must construct the Accelerate Series SMA, in part or full, using eligible Accelerate Funds. As a result, certain restrictions may apply to Accelerate Series SMAs including:

- Where a SMA no longer qualifies for the Accelerate Series due to a portfolio management decision, any Administration fee discount will be removed. We'll give you at least 30 days' notice before this occurs.
- Some or all Accelerate Funds may only be held as part of an SMA. These funds cannot be held as individual managed funds or transferred out of an SMA. You, together with your adviser, will need to redeem these for cash by selling your portfolio.
- Some SMAs are only available while the nominated adviser on your account is a representative of an eligible Licensee. Refer to the Tailored Managed Accounts in the Investment List. If you are invested in a Tailored Managed Account and choose to remove your adviser or nominate another adviser who's Licensee is not authorised to access that SMA, certain conditions may apply. For example, your investments may be transferred out of the SMA. If the Tailored Managed Account is part of the Accelerate Series, some or all of your underlying investments may be redeemed and placed in cash and the Accelerate Series Administration fee discount may be removed without notice. For further information, refer to 'What happens if you no longer have an adviser?' in the Other Important Information brochure.
- Where you hold an Accelerate Series SMA, you may not be able to customise some or all underlying investments within the SMA.

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## Periodic statements for underlying investments

When you invest in an SMA or managed fund through the Service, your adviser will provide you with the PDS for the SMA or managed fund which sets out its own fees and costs.

It's important to note that there's no statutory requirement for the product issuer of your underlying investments to provide you with a periodic statement.

Your periodic statement from the Service will include the fees and costs disclosed in this IDPS Guide, as well as an estimate of fees and costs incurred within the underlying investments you have chosen to invest in through the Service.

**Please note:** additional charges may apply for paper statements, refer to the 'Fees and costs summary' section.

## Investment news

From time to time, we need to tell you about certain events and their effects on your investments. This information is made available electronically via the 'Investment news' link on our website.

Once the information is made available on the website, you'll be taken to have received the relevant information regardless of whether or not you've accessed the update.

If you hold Australian listed securities in your portfolio, you'll need to refer to the ASX website for any announcements.

If you hold international listed securities, you'll need to refer to the relevant international stock exchange website for any announcements. Exchange websites are listed in the Investment list, found at [cfs.com.au/cfsedge](https://cfs.com.au/cfsedge)

If you have any queries on a change to an investment you hold, please contact your adviser.

For more information about investment options, please refer to the Other Important Information brochure at [cfs.com.au/cfsedge](https://cfs.com.au/cfsedge)

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# 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 account balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better investor services justify higher fees and costs. You may be able to negotiate to pay lower fees.<sup>1</sup> Ask the fund or your adviser.

## To find out more

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

- <sup>1</sup> We're required by law to include this information, which refers to the ability to negotiate fees. The administration fees and costs for this product are not subject to negotiation and are outlined in the table below.

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

Taxes are set out in the 'Tax on CFS Edge Investments' section in the Other Important Information brochure.

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

The total fees and charges you pay when investing through CFS Edge Investments include the costs of CFS Edge Investments as well as the cost of any underlying investment options you choose.

It's important you understand these fees. The fees of any underlying investment options you choose are in addition to the fees charged by us for the Service and to the transaction and account costs incurred on your behalf.

The costs of the investments you choose will generally be set out in the disclosure documents for the investment. Where possible, fees and other costs for each underlying investment available through the Service are set out in the Investment list.

For more information on these fees, please refer to the Other Important Information brochure at [cfs.com.au/cfsedge](http://cfs.com.au/cfsedge)

All fees shown are in Australian dollars, unless otherwise stated. If you hold international listed securities or foreign currency, an Australian dollar equivalent will be used in calculating account balances. The latest available exchange rate will be applied to perform this calculation.

# Fees and costs summary

## CFS Edge Investments

Type of fee or cost	Amount <sup>1</sup>	How and when paid										
<b>Ongoing annual fees and costs<sup>2,3</sup></b>												
<b>Management fees and costs<sup>4</sup></b> The fees and costs for managing your investment These fees relate only to gaining access to the underlying investments through CFS Edge. They don't include the fees and costs that relate to investing in underlying investments.	<b>Administration fee<sup>5</sup></b>  <table border="1"> <thead> <tr> <th>Total account balance</th> <th>Fee (p.a.)</th> </tr> </thead> <tbody> <tr> <td>On the first \$500,000</td> <td>0.25%</td> </tr> <tr> <td>On amounts above \$500,000 – \$1,000,000</td> <td>0.10%</td> </tr> <tr> <td>On amounts above \$1,000,000 – \$3,000,000</td> <td>0.05%</td> </tr> <tr> <td>On any amount above \$3,000,000</td> <td>Nil</td> </tr> </tbody> </table>	Total account balance	Fee (p.a.)	On the first \$500,000	0.25%	On amounts above \$500,000 – \$1,000,000	0.10%	On amounts above \$1,000,000 – \$3,000,000	0.05%	On any amount above \$3,000,000	Nil	The Administration fee is accrued daily on the end of day account balance including amounts held in your cash account and any other investments in your account with the exception of investments in Accelerate 100 SMAs where a 100% Administration fee discount applies. <sup>6</sup> It's deducted from your cash account monthly in arrears (or upon closure of your account based on the number of days your account is open) and paid to us shortly after the last day of each month. The Administration fee will commence from the day of your first deposit into your account. The Administration fee isn't payable on balances held in eligible managed funds, and these balances won't count towards the combined value of the accounts within your family billing group for fee aggregation calculations. <sup>3</sup> Please refer to 'Benefits from linking related accounts in a family billing group' in the 'How your account works' section and 'Fee aggregation' in the 'Additional explanation of fees and costs' section of this IDPS Guide for more information on fee aggregation. The Operator has discretion to waive the Administration fee on balances held in suspended investments. Please refer to the 'Suspended investments' section in the Other Important Information brochure for more information.
	Total account balance	Fee (p.a.)										
On the first \$500,000	0.25%											
On amounts above \$500,000 – \$1,000,000	0.10%											
On amounts above \$1,000,000 – \$3,000,000	0.05%											
On any amount above \$3,000,000	Nil											
The fee tiers are applied to the combined balance of all linked accounts within a family billing group, excluding balances held in eligible managed funds and Accelerate 100 SMAs. For more information about the Administration fee, refer to the 'Additional explanation of fees and costs' section.												
	Administration fee discounts apply to investments in Accelerate 100 and Accelerate 30 SMAs.  <table border="1"> <thead> <tr> <th>Accelerate Series SMA</th> <th>Administration fee discount (p.a.)</th> </tr> </thead> <tbody> <tr> <td>Accelerate 30</td> <td>30%</td> </tr> <tr> <td>Accelerate 100</td> <td>100%</td> </tr> </tbody> </table>	Accelerate Series SMA	Administration fee discount (p.a.)	Accelerate 30	30%	Accelerate 100	100%	The Administration fee discount applies to the portion of your account value that is invested in Accelerate 30 and Accelerate 100 SMAs. <sup>6</sup> The Administration fee discount is applied at the time Administration fees are calculated. Discounted Administration fees are accrued daily on the end of the day balance for the investments held in Accelerate Series SMAs and are deducted from your cash account monthly in arrears. <sup>7</sup> Where an Accelerate Series SMA is held within a Model Portfolio, MDA, or held within another SMA, the Administration fee discount will not apply. The Administration fee isn't payable on balances held in Accelerate 100 SMAs and these balances won't count towards the combined value of the accounts within your family billing group for fee aggregation calculations. There are certain restrictions that apply to Accelerate Series SMAs. For example, where a SMA no longer qualifies for the Accelerate Series due to a portfolio management decision, any Administration fee will be removed. We'll give you at least 30 days' notice before this occurs. Please refer to 'Investing in Accelerate Series SMAs' in the 'Investing through CFS Edge Investments' section for more information.				
Accelerate Series SMA	Administration fee discount (p.a.)											
Accelerate 30	30%											
Accelerate 100	100%											



Type of fee or cost	Amount <sup>1</sup>	How and when paid
	<p><b>Account keeping fee</b> A flat fee of \$300 p.a.</p>	<p>The Account keeping fee is an annual fee applied as a flat dollar amount. This fee is charged monthly from your cash account and is deducted shortly after the last day of the month.<sup>8</sup></p>
	<p><b>Cash account fee</b> Up to 1.50% p.a. of your cash account held in Australian dollars. The current Cash account fee can be found at <a href="https://cfs.com.au/cfsedge">cfs.com.au/cfsedge</a></p>	<p>The Cash account fee is calculated at the end of the month and deducted monthly from your investment return before interest is calculated and applied to your cash account. This fee is calculated on a proportionate basis depending on the number of days in the month your account is open. This fee isn't deducted directly from your cash account and it will be included on your periodic statement as 'Fees and costs deducted from your investment'.</p>
	<p><b>Foreign currency holding fee</b> A variable amount determined by the currency held in your portfolio and the interest rate received by us. As an indication, at 31 July 2023 this could have ranged between 0% and 5.12%. This is an estimated range only and the amount charged may exceed this range. The current Foreign currency holding fee can be found at <a href="https://cfs.com.au/cfsedge">cfs.com.au/cfsedge</a></p>	<p>The Foreign currency holding fee is deducted from the interest paid on foreign currency held by us.</p>
	<p><b>International securities holding fee</b> An additional fee of 0.10% p.a. on international listed securities held.</p>	<p>The International securities holding fee is accrued daily on the Australian dollar equivalent end of day value of the international listed security holdings in your account, including international listed securities held in a SMA. It is calculated by determining an Australian dollar equivalent value of your international holdings using the indicative exchange rate for the relevant currency, held on the platform on that day. It's deducted from your cash account monthly in arrears (or upon closure of your account based on the number of days your account is open) in Australian dollars, and paid to us shortly after the last day of each month. The International securities holding fee will commence from the day of you holding international listed securities in your account, including international listed securities held in a SMA.</p>
<p><b>Performance fees</b> Amounts deducted from your investment in relation to the performance of the product</p>	<p>Nil</p>	<p>The Operator doesn't deduct performance fees. However, some underlying investments may have a performance fee. Further information about the amount of the performance fees that may be applicable for each underlying investment available through the Service is disclosed in the Investment list.</p>
<p><b>Transaction costs</b> The costs incurred by the Service when buying or selling assets</p>	<p>Nil</p>	<p>The Operator doesn't deduct transaction costs. However, some underlying investments may deduct these. Refer to 'Transactional and operational costs' for more information.</p>

Type of fee or cost	Amount <sup>1</sup>	How and when paid
<b>Member activity-related fees and costs (fees for services or when your money moves in or out of the product)<sup>1,9</sup></b>		
<b>Establishment fee</b> The fee to open your investment	Nil	Not applicable
<b>Deposit fee</b> The fee on each amount deposited to your investment	Nil	Not applicable
<b>Buy-sell spread</b> An amount deducted from your investment representing costs incurred in transactions by the Service	Nil	The Operator doesn't charge a buy-sell spread. However, buy-sell spreads may be charged by the investment manager of a managed fund and unlisted investments that you invest in (including any managed funds invested as part of an SMA or MDA portfolio). The amount of the buy-sell spread varies, depending on the investments selected by you and your adviser. The amount of the buy-sell spreads that may be applicable for each underlying investment are available in the Investment list. Refer to 'Transactional and operational costs' for more information.
<b>Withdrawal fee</b> The fee on each amount you take out of your investment	Nil	Not applicable
<b>Exit fee</b> The fee to close your investment	Nil	Not applicable
<b>Switching fee</b> The fee for changing investment options	Nil	The Operator doesn't charge a switching fee but transaction costs and buy-sell spreads may apply when buying and selling underlying investments available through the Service.
<b>Advice fees</b>	As agreed between you and your adviser.	Please refer to the 'Advice fees' section.
<b>Model portfolio fee</b>	This fee is determined based on the model portfolio selected.	Please refer to the 'Model portfolio arrangements' section.
<b>Portfolio service fee</b>	This fee is determined based on the MDA portfolio selected.	Please refer to the 'MDA services' section.

Type of fee or cost	Amount <sup>1</sup>	How and when paid
<b>In-specie transfer fee</b>	Not applicable for asset transfers in, and \$100 for each asset transfer out. Please be aware that Stamp duty may also apply.	In-specie transfer fees are deducted from your cash account at the time the asset transfer is processed. Please refer to the 'In-specie transfer fee' section.
<b>Paper statement fee</b>	This fee is applied upon request for paper-based statements. A fee of \$10 per statement applies.	This fee is debited from your cash account, on the day your statement is issued. <sup>10</sup>

- 1 All figures disclosed include the net effect of goods and services tax (GST) and reduced input tax credits (RITC). Fees are rounded to the nearest cent. For more information please refer to 'GST and RITC' in the 'Additional explanation of fees and costs' section of this IDPS Guide.
- 2 The applicable fees won't be payable on the amount of any investments you elect to in-specie transfer out of your CFS Edge Investments account from the date that we accept and process your paperwork.
- 3 Investment costs are still applicable for the eligible managed fund holdings and Accelerate Series SMAs. Eligible options will be denoted in the Investment list when they are available.
- 4 Other management fees and costs may apply including brokerage and settlement fees. Please refer to 'Transactional and operational costs' for more information.
- 5 Percentage based administration fees are accrued per Investment account you hold and rounded to the nearest cent. An investment account can be your cash account, managed fund, listed security, term deposit, Model portfolio, MDA Service, or SMA (including the Accelerate Series).
- 6 If your entire account balance is invested in eligible managed funds and/or Accelerate 100 SMAs, your cash account balance will not accrue an Administration fee.
- 7 For Accelerate Series SMAs, the account keeping fee of \$300 p.a. still applies.
- 8 Where you're the account owner of multiple accounts (including super, pension and investments), the Account keeping fee will be charged at an investor level rather than for each account you own. The fee will be pro-rated across accounts according to the number of accounts you hold. This amount is charged monthly so where you hold multiple accounts there may be a variation of up to \$1 p.a. for the total Account keeping fee you will pay due to rounding.
- 9 Other service fees may apply, including Brokerage fee, Foreign currency conversion fee, Exchange fees and costs, Adviser service fees, Model portfolio fees and Portfolio service fees. Please refer to the 'Transactional and operational costs', 'Advice fees', 'Model portfolio arrangements' and 'MDA services' sections for more information.
- 10 Please refer to the 'Keeping you informed' section for more information.

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## Additional explanation of fees and costs

### GST and RITC

The services provided by us constitute a financial supply and are subject to input tax. However, on some fees and charges we can claim a Reduced Input Tax Credit (RITC) from the Australian Taxation Office (ATO). If a RITC is available, it's applied at the time the fee is charged. Should the ATO change its view in relation to GST credit entitlement, this may result in an increase in net fees in the future.

### Cash account fee

The Cash account fee is equal to the rate of interest we earn in relation to the funds held in your cash account in Australian dollars, less the rate of interest that we credit to your cash account.

We don't deduct this fee directly from your account but instead take the fee from the investment returns before interest is paid to your account. We may change the fee from time to time.

The Cash account fee rate may change if there are changes in the Reserve Bank of Australia Official Cash Rate and/or the interest rate we receive.

### Foreign currency holding fee

No interest is paid to you on balances held in foreign currency. Any interest earned is retained as a fee by us. The fee is equivalent to the interest earned and will be disclosed to you in required reporting. Where a currency you hold incurs negative interest, this cost will be borne by us.

### International securities holding fee

The International securities holding fee applies only to the daily balance of your holdings in international listed securities, including those held in a SMA. It does not apply to cash balances held in foreign currency or Australian listed securities. The holding fee is calculated daily against an Australian dollar equivalent of your international listed securities and charged monthly. The fee ceases to apply if you sell all your international listed securities, but will be charged on the Australian dollar equivalent value of the security up to the point you cease to hold international listed securities in your account.

### Services provided for the Administration fee

By charging an Administration fee we're able to provide a wide range of administration services including:

- consolidated reporting and tax information for all investments in CFS Edge Investments
- access to online reporting of transactions, asset allocation and current valuation of your account
- linking family billing accounts for the purpose of calculating the Administration fee (see the 'Fee aggregation' section)
- custody and administration of your portfolio of investments
- provision of technology to manage and transact on your portfolio
- access to wholesale fund managers not readily available to retail investors.

### Transaction netting fee

If the Administrator effects a transaction by netting transactions of different investors, they're entitled to retain as a fee the amount of any fee that would otherwise have been payable. You're charged the relevant fee(s) for the transaction as if the transaction had taken place without netting.

### Fee aggregation

CFS Edge accounts within a family billing group, for example CFS Edge Super, CFS Edge Pension and CFS Edge Investments accounts held by members of your immediate family may be eligible for a fee discount as per the eligibility requirements of family members described in the 'Benefits from linking related accounts in a family group' section.

By linking accounts, you ensure that the tiered Administration fee rates are applied on the combined value of the accounts within your family billing group. This means that you'll benefit from scale and potentially pay a lower Administration fee. Fee aggregation doesn't include the Cash account fee or Account keeping fee.

Where an account within a family billing group holds international listed securities, the International securities holding fee will only apply to the account(s) which holds the international listed securities. The value of the international listed securities will be included the combined value of the family grouped accounts.

Balances held in eligible managed funds and suspended investments or Accelerate 100 SMAs that don't attract an Administration fee won't count towards the combined value of the accounts within your family billing group. If your entire account balance is invested in eligible managed funds and/or Accelerate 100 SMAs, your cash account balance will not attract an Administration fee or count towards the combined value of the accounts within your family billing group.

The fee aggregation calculation may change on the death of a family member who had a linked account.

If an account is removed from a family group during a calendar month (for example if the account is closed, not serviced by the family group adviser or, is no longer advised), the balance of that account will not be combined with other accounts in the family group, for the purpose of determining the rates applicable to the remaining accounts in the relevant related group, for that calendar month.

Your adviser can provide you with further information about how to link family accounts within a family fee group.

## Example of Administration fees on linked accounts

	Portfolio balance	Non-linked fee (p.a.)	Linked fee (p.a.)	Savings (p.a.)	Savings (p.a.)
Smith Investments Pty Ltd ATF Smith Super Fund CFS Edge Investments – SMSF	\$650,000	\$1,400.00	\$1,137.50	\$262.50	19%
Smith Family Trust CFS Edge Investments	\$300,000	\$750.00	\$525.00	\$225.00	30%
Peter Smith CFS Edge Super	\$50,000	\$140.00	\$102.50	\$37.50	27%
<b>Total</b>	<b>\$1,000,000</b>	<b>\$2,290.00</b>	<b>\$1,765.00</b>	<b>\$525.00</b>	<b>23%</b>

Note: All figures disclosed include the net effect of GST and RITC. Refer to the 'Additional explanation of fees and costs' section of this IDPS Guide for more information. This example does not include any accounts which hold international listed securities. 'Administration fee' refers to the tiered Administration fee rates and doesn't include the Cash account fee or Account keeping fee.

## Changes in fees and costs

The Operator may increase existing fees and charges at its discretion or impose additional fees or charges, subject to any maximum limits allowed under the Deed. If the Operator decides to introduce any additional fees or charges, or increase existing fees and charges (other than the cost component of fees or charges), you'll be given at least 30 days' advance notice. This doesn't include the Cash account fee which may vary from time to time. The current Cash account fee can be found at [cfs.com.au/cfsedge](https://cfs.com.au/cfsedge)

We may, at the Operator's discretion, offer to waive or reduce any of the fees and costs disclosed in this IDPS Guide for investors.

## Fee rebates and reductions

We may at our discretion offer some licensee groups an overall reduction to the Administration fee.<sup>1</sup> This will be in the form of a reduction to the Administration fee tiers and rates, or a rebate of the Administration fee paid by you each month.

We may also offer reduced rates in relation to transaction fees such as the Listed security settlement fee, Australian and international listed security brokerage, International securities holding fee, Foreign currency holding fee and Foreign currency conversion fee.

Where your adviser's licensee group is eligible to a reduction or a rebate, your adviser will provide you with details of your arrangement.

If you're eligible for a rebate, it will appear on your reports as 'Client fee rebate' at the end of the month. Rebates are calculated using the Administration fee paid by you and the rebate rate/s (flat, tiered, or scaled). Reductions are incorporated into the Administration fee you pay and do not appear as a separate transaction.

We reserve the right to amend or cease to apply a reduction or rebate to the Administration fee on your account by providing you with 30 days' notice prior to the change. We will also contact your adviser and your adviser's licensee group prior to this change.

<sup>1</sup> 'Administration fee' refers to the tiered Administration fee rates and doesn't include the Cash account fee or Account keeping fee.

When a rebate or reduction to the Administration fee commences or ceases to apply, the rebate or fee tier and rate will apply from the date notified.

## Account keeping fees and multiple accounts

A flat Account keeping fee of \$300 p.a. will be charged at an investor level, rather than for each account you own. The fee will be pro-rated across accounts according to the number of accounts you hold. The Account keeping fee is calculated as set out in the 'Fees and costs summary' table. For example:

- If you have an individual CFS Edge Super account, the Account keeping fee is \$300 p.a. (\$25 per month).
- If you subsequently open a CFS Edge Pension<sup>2</sup> account, the Account keeping fee is \$150 p.a. for the Super account and \$150 p.a. for the Pension account (\$12.50 per month on each account, \$300 p.a. total).
- If you subsequently open an individual CFS Edge Investments<sup>2</sup> account, the Account keeping fee is \$100 p.a. for the Super account, \$100 p.a. for the

Pension account and \$100 p.a. for the individual Investments account (\$8.33 per month on each account, \$300 p.a. in total).

- If you subsequently open a Company CFS Edge Investments account, the Account keeping fee is \$100 p.a. for the Super account, \$100 p.a. for the Pension account, \$100 p.a. for the individual Investments account and \$300 p.a. for the Company Investments account (\$600 p.a. in total).

The balances of each of your active accounts do not impact the Account keeping fee charge. However, if you close your account, the Account keeping fee will either:

- be charged in full on your sole surviving account or,
- only pro-rata where remaining multiple account(s) you own are still active.

The Company account described above is not deemed to be held in the same investor level as the individual accounts because it holds a separate beneficial ownership and tax structure.

## Transactional and operational costs

These may include transaction fees, brokerage, settlement and clearing costs, stamp duty and/or buy-sell spreads incurred by a fund in managing its assets. They're an additional cost to you and are associated with actual investment transactions and the buying and selling of the underlying investments within a fund.

The costs described in the following table may apply depending on the investment decisions you make. They cover the costs incurred in the execution and settlement of your trade by the broker and the custodian.

### Transactional and operational costs

Type of fee or cost	Amount <sup>1</sup>	How and when paid
Brokerage fee	<p>Brokerage is charged for placing trades on your behalf.</p> <p><b>For Australian listed securities</b> Brokerage will be charged at the rate of 0.11% of the value of the transaction with a minimum charge per contract settled of \$20 for trades.<sup>2</sup></p> <p><b>For international listed securities</b> Brokerage will be charged at a rate that is the greater of Australian dollar equivalent \$50 or 0.20% of the value of the transaction.</p>	<p><b>For Australian listed securities</b> Brokerage applies when your adviser, model portfolio or MDA service provider purchases or sells listed securities (for example, company listed securities, exchange-traded securities, property trusts and fixed income securities) using the Operator-approved broker on the platform. Brokerage will be deducted from your cash account or cash holding of your model portfolio or MDA on contract settlement.<sup>2</sup></p> <p><b>For international listed securities</b> International listed security purchases and sales can only be completed through the Operator-approved broker. Third-party brokers are not available for international listed securities. International brokerage applies when you or your adviser place a trade to buy or sell international listed securities. International brokerage is included in the total cost of the transaction. International brokerage will be deducted in the foreign currency supported by the exchange on settlement. If we are required to place multiple trades to fulfill your order, brokerage applies to each trade.</p>

<sup>2</sup> The Account keeping fee is accrued daily. Where an additional account is established, the Account keeping fee will be pro-rated from the date money is deposited into the new account.



Type of fee or cost	Amount <sup>1</sup>	How and when paid
SMA brokerage	Brokerage may be charged on the value of the transaction. Please refer to the relevant SMA PDS for the rate that applies to the value of the transaction.	Brokerage applies when Australian and international listed securities have been purchased or sold within your SMA (including the Accelerate Series). Brokerage will be deducted from the cash holding within your SMA on contract settlement.
External broker brokerage cost	Where you and your adviser choose to use an external broker, you and your adviser will negotiate with the external broker on any brokerage costs in relation to the purchase or sale of listed securities. <sup>2</sup> Brokerage will be charged as a rate of the value of the transaction.	Brokerage applies when your adviser purchases or sells Australian listed securities (for example, company listed securities, exchange-traded securities, property trusts and fixed income securities) using an external broker approved by the Operator. Brokerage will be included in the gross settlement amount and paid to the external broker on contract settlement. Speak to your adviser or an external broker for further information about investing in listed securities using an external broker.
Listed security settlement fee	\$20 per contract settled.	Where your adviser purchases or sells Australian listed securities (for example, company listed securities, exchange-traded securities, property trusts and fixed income securities) using an external broker, a settlement fee per contract settled is paid to the Operator. <sup>2</sup>
Foreign currency conversion fee	Up to 0.45% of the trade value.	When converting one currency to another, a fee of up to 0.45% may be applied to the exchange rate. This fee is included in the exchange rate applied to your foreign currency conversion transaction and is paid to the Operator. Part of this fee will be paid to third party service providers required to complete the conversion transaction.
Exchange fees and costs	Exchange fees and cost vary, depending on the exchange. Indicative costs can be found from the exchange websites listed in the Investment list, found at <a href="http://cfs.com.au/cfsedge">cfs.com.au/cfsedge</a>	There may also be additional costs incurred when transacting on international listed securities, such as commission, levies or local stamp duty, on certain international exchanges. The costs are charged in the currency accepted by the exchange and are included in the total settlement cost of the international securities buy or sell transaction. You will be responsible for any additional costs associated with the trade and should seek your own independent advice regarding the costs of international listed security trading prior to placing orders.
Offline manual transaction fee	A fee of \$20 for manual/offline transactions is applicable where any straight-through processing option is available.	Your adviser can perform many account transactions online. If you or your adviser elect not to use the online capability when you transact, a \$20 offline manual transaction fee applies, except to those transactions where online capability isn't available. This fee will be deducted from your cash account at the time of the transaction. The Operator reserves the right to waive this fee at its discretion.
Term deposit transaction fee	Nil	The Operator doesn't charge a fee to purchase or withdraw from term deposits purchased as part of your account. An early withdrawal fee and interest penalties may be charged by the term deposit provider when you redeem or partially redeem a term deposit before maturity. Speak to your adviser to consider your options before you decide to redeem your term deposit early. Interest penalties may also be charged by the underlying term deposit provider. Please refer to the relevant term deposit provider's product disclosure document for more information.

1 All figures disclosed include the net effect of GST and RITC. Refer to the 'Additional explanation of fees and costs' section of this IDPS Guide for more information.

2 Should the transaction fail to settle, any default and/or dishonour fees will be deducted from the balance of your cash account.

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## Buy-sell spreads

The buy-sell spreads for managed funds and unlisted investments vary for each investment. Some investment managers disclose a different price between buying and selling units, and this buy-sell spread may be applicable each time you transact. You should refer to the disclosure document for each of your investments for more detail on these price differences.

The Administrator may offset your instructions to buy or sell a managed fund against another instruction to sell or buy that managed fund so that only net transactions are acted on. This will result in a reduction in fees and charges that would have applied had the transaction been processed individually. This fee reduction will be retained by the Administrator and may be used to reduce the cost of services they provide. Refer to 'Transaction netting fee' earlier in this IDPS Guide.

Further information about the amount of the buy-sell spreads that may be applicable for each underlying investment available through the Service is disclosed in the Investment list.

Where applicable, buy-sell spreads from underlying investments will be included in your periodic statement.

## In-specie transfer fees

There's no in-specie fee for transferring assets into your account. For each asset you request to transfer out of your account, we'll charge you a transfer fee of \$100 per managed fund or listed security (Australian or international<sup>3</sup>), and stamp duty may also apply.

This fee will be deducted from your cash account at the time the units being transferred are removed from your account. If there are insufficient funds in your cash account, some of the assets may be sold to fund these costs.

## Investment fees and costs

The investment fees and costs are payable to the investment manager or responsible entity of your underlying investment in an SMA, managed fund or unlisted investment.

These costs aren't deducted from your cash account. For managed funds and unlisted investments, these costs are generally deducted before calculating the unit price for the investment.

For an SMA, the fee charged by the responsible entity is deducted from the cash holding within the SMA.

Where applicable, investment fees and costs for the underlying investments will be included in your periodic statement and referred to as 'Other fees and costs'.

Refer to the Investment list for the other costs charged by or in each underlying investment. Further information on the fees and costs applicable in an underlying investment is set out in the underlying investment's relevant disclosure document, available on request from your adviser, or by contacting us on 1300 769 619. The fees and costs applicable in an underlying investment may change from time to time as determined by the investment manager or responsible entity of the underlying investment.

Investment costs do not apply for investments in listed securities or term deposits where these are held directly in CFS Edge Investments.

Any relevant rebates received from the investment manager or responsible entity of an underlying investment will be passed on to you. Rebates may apply to you where agreed between the custodian, your adviser, their advice practice and/or licensee group and certain underlying investment managers or responsible entities.

## Performance fees

The Operator doesn't deduct performance fees. However, some underlying investment managers may charge a performance fee if the returns of that investment exceed specified targets. Refer to the PDS for the underlying investments, available from your adviser.

Where applicable, performance fees for underlying investments will be included in your periodic statement as a combined figure with your investment fees and costs and referred to as 'Other fees and costs'.

## Insurance premiums (if applicable)

Please refer to the 'Insurance' section of this IDPS Guide and to the relevant insurer's PDS for more information.

For more information about fees and other costs, go to the 'Further information about fees and other costs' section in the Other Important Information brochure at [cfs.com.au/cfsedge](https://cfs.com.au/cfsedge)

<sup>3</sup> Processing of international in-specie transfers may take 4-12 weeks to process.

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## Advice fees

You can agree with your adviser to pay fees in exchange for the advice and related services they provide to you. Where you provide us with your online or written consent to do so, you direct us to establish a monthly or quarterly deduction of Adviser service fees on either an ongoing or fixed-term basis. These fees are deducted from your cash account. You can also agree with your adviser to pay a one-off fee for the advice and related services provided to you. You cannot pay both an ongoing and a fixed-term fee at the same time.

Any ongoing or fixed-term Adviser service fee will be paid to your current adviser or any subsequent adviser on your account. You can update the adviser on your account at any time. You can also renegotiate the advice fees with your adviser at any time.

Where you instruct us to deduct advice fees from your investment account, the fee must be:

- consented to by you, and
- of a reasonable amount for the advice and services provided to you.

Where there are multiple account holders of an investment account, all account holders will need to provide their consent to request us to pay an ongoing Adviser service fee from the account.

Where you agree to pay an Adviser service fee, we'll continue deducting these fees from your account until:

- your fixed-term fee has expired
- the expiry date noted on your last consent has been reached
- you don't renew your consent to continue an ongoing Adviser service fee, or
- you ask us to stop deducting the fees from your account.

Where your arrangement with your adviser is to pay ongoing fees from your account, you'll also need to tell your adviser where you instruct us to stop paying fees from your account.

We recommend you speak to your adviser before making changes to the Adviser service fees on your account as this may result in changes to the advice and services they provide to you. Where you instruct your adviser to stop these fees from being deducted from your account, they have 10 business days to notify us to cease the fees. Fees will end on the date we're notified.

## Your consent to deduct advice fees from your account

To facilitate the deduction of any advice fees we must have your online or written consent or a copy of it, provided to us by your adviser. Consent must be provided by using an approved version of a fee consent form. This form will require you to consent to the amount of the Adviser service fee that is to be deducted from your account and to which adviser the fee is to be paid (through their licensee group). The form also outlines the frequency, time and amount of any fees, a reasonable estimate of the fees you will pay in the next 12 months if it is not a set dollar fee and, for fixed term and one-off fees, the services to be provided by your adviser.

Fees can be established as either one of the following types:

- **Ongoing arrangement**

Where you agree with your adviser to pay an ongoing Adviser service fee from your account, this fee will generally apply from the date we receive a valid copy of your written consent. For accounts with multiple account holders, all account holders will need to provide their consent. You must provide written consent annually in order for the fees to continue. Where an ongoing fee arrangement is not renewed, the fees will cease on the 'consent end date' (which cannot exceed 150 days from the anniversary date) provided in your written consent.

- **Fixed-term arrangement**

Where you establish a fixed-term arrangement with your adviser, we will generally apply an Adviser service fee for the period agreed by you and your adviser on the fee consent form. These fees will cease once the 'end date' of your fixed-term fee is reached. To establish a new fixed-term fee to be deducted from your account you will need to complete a new request. For accounts with multiple account holders, all account holders will need to provide their consent.

Your adviser also has the option of charging a fee for advice and other related services provided to you in relation to your account(s). This fee can be charged in addition to the ongoing and fixed-term Adviser service fees for managing your account(s).

- **One-off**

A one-off dollar-based fee as agreed with your adviser, which is deducted from your cash account.

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Fees are typically deducted from your account within the first five business days of the following month and can be viewed in online statements, transactions or via the CFS Edge app, where you have access. To make changes to your fees, a new fee consent form must be completed. Upon processing your instructions to amend your fees, we will generally apply the updated fees on the later of the day we receive your instructions or the nominated start date (if applicable). Forms that are submitted near the end of the month may be processed in the following month.

We won't be liable for any delay that may occur from the time your request is received due to incomplete instructions or information not provided at the time of your request.

The Operator may at its discretion limit, reduce or refuse to deduct an advice fee. Your adviser will be notified where this occurs. In this case, they may discuss with you an alternative means for payment.

Where you agree to pay advice fees from your account, the details of these fees will be provided to you by your adviser prior to the deduction. You can also see the amount of fees being deducted from your account in your statement or online.

Your adviser can help you to understand the advice and related services you'll receive for the fees you pay to them either in a Statement of Advice or other related advice documentation, such as a Record of Advice. If you have any queries in relation to the advice or related services received, your adviser is best placed to assist you with these.

Your adviser may also agree to pay a portion of the adviser fees to their licensee group for services they provide to your adviser. Where this applies, this isn't an additional amount paid by you but is included in the advice fees deducted from your account. Please speak to your adviser for more information.

Where the rights of your adviser and/or their licensee are assigned or novated to another person or entity, the agreed fees and payments of these fees, may transfer to that person or entity.

Upon notification of your death, we will cease deducting adviser fees from your account. For further information refer to the section 'What we do in the event of your death' in the Other Important Information brochure.

The actual fees paid by us to your adviser and/or their licensee group include GST. However, the fees deducted from your cash account will be less than the amount paid to the adviser where GST and RITCs apply to those fees.

Should the ATO change its view in relation to GST and RITCs, this may result in an increase in net fees in the future.

The ATO has notified IDPS platforms that from 1 July 2024 IDPS are not eligible to claim RITCs for the adviser services fees if the arrangement falls within those described in the ATO guidance. CFS is reviewing whether the IDPS is entitled to claim RITC on adviser service fees from 1 July 2024.

## Advice fees

Fee type	Amount <sup>1,2</sup>	How and when paid
Adviser service fee <sup>3,4</sup>	<p>As agreed between you and your adviser, an Adviser service fee can be deducted from your account for advice and related services provided to you in relation to your account.</p> <p>An Adviser service fee can be expressed as either:</p> <ul style="list-style-type: none"> <li>• a percentage-based fee</li> <li>• a dollar-based fee</li> <li>• a combination of percentage-based and dollar-based fees.</li> </ul> <p>The percentage-based fee can be either:</p> <ul style="list-style-type: none"> <li>• a fixed or tiered percentage rate(s)</li> <li>• a fixed or tiered percentage rate(s) according to the different types of investments you hold in your account.</li> </ul> <p>The dollar-based fee is a fixed dollar amount per specified frequency or part thereof.</p>	<p>You direct us to deduct an Adviser service fee from your cash account monthly or quarterly in arrears and pay these fees to your adviser's licensee group shortly after the last day of each month or quarter. Upon the closure of your account, this fee will be based on the number of days your account is open during the payment period.</p> <p>The Adviser service fee will generally commence on the latter of the day we receive your fee consent, the nominated start date (if applicable), or the day of your first deposit into your account.</p> <p>A percentage-based fee is calculated using the daily account balance including amounts held in your cash account and any other investments in your account, excluding investments held under a model portfolio arrangement.</p> <p>A dollar-based fee is calculated daily.</p> <p>Where there are changes to your Adviser service fee, the fee will be pro-rated using the number of days each of your fee arrangements were applicable.</p>
One-off advice fee	A dollar amount on a one-off basis.	As agreed between you and your adviser, this fee is debited from your cash account, in accordance with your direction, on the day you and your adviser's authorisation has been processed by us. <sup>5</sup> This fee enables you to pay for one-off advice from your cash account, as applicable.

1 All advice fees are deducted net of the effect of GST and RITC. Fees are rounded to the nearest cent. Refer to the 'Additional explanation of fees and costs' in this IDPS Guide for more information.

2 Percentage based advice fees are accrued per Investment account you hold and rounded to the nearest cent. An investment account can be your cash account, managed fund, listed security, term deposit, Model portfolio, MDA Service, or SMA (including the Accelerate Series).

3 If your account holds an ordinarily liquid investment which becomes a suspended investment due to difficult market conditions, no percentage-based fee will be deducted from the value of this investment. If the suspended investment is the only investment you hold (along with any amounts in the cash account), no percentage or dollar-based fees will be deducted. Please refer to the 'Suspended investments' section of the Other Important Information brochure for more information.

4 The applicable fees won't be payable on the amount of any investments you elect to in-specie transfer out of your account from the date that we accept and process your paperwork.

5 This fee is subject to sufficient cash being available to deduct the fee and may be delayed if the sale of your investments are in progress.

## Model portfolio arrangements

You and your adviser can use a model portfolio with your account. Your adviser and/or adviser's licensee group will provide you with investment services in relation to your chosen model portfolio. CFS Edge does not currently offer international listed securities or foreign exchange as part of a model portfolio.

A Model portfolio fee will apply on the value of your account managed under your chosen model portfolio(s). If you wish us to deduct and pay this fee from your account, we require your prior authorisation and consent, to deduct and pay this fee to your adviser's licensee group.

For more information about model portfolios, please refer to the 'Model portfolio' section within the Other Important Information brochure or your adviser for any relevant Investor Agreement and the relevant FSG relating to your arrangement.

Brokerage for buying and selling Australian listed securities will apply. For more information, refer to the 'Transactional and operational costs' section. These transactions may also have tax consequences.

Fee type	Amount <sup>1</sup>	How and when paid
Model portfolio fee	As agreed between you and your adviser.  This is expressed as a percentage or a tiered fee.	If you establish a model portfolio arrangement as part of your CFS Edge account, a Model portfolio fee may be charged on the account balance managed under that arrangement.  Your adviser will provide you with details of the fee rate applicable. This fee is accrued daily on the end of day portfolio balance. This fee is deducted from your cash account monthly or quarterly in arrears, shortly after the last day of each month or quarter (or upon closure of your account, in which case the fee will be pro-rated for the number of days your account is open).

<sup>1</sup> All figures disclosed include the net effect of GST and RITC. Fees are rounded to the nearest cent. Refer to the 'Additional explanation of fees and costs' section in this IDPS Guide for more information.

## MDA services

Your adviser may provide you with advice about investing via an MDA service.

The Operator may offer MDA service providers with portfolio management tools, which allow the MDA service provider to implement, manage and monitor your MDA service through CFS Edge. CFS Edge does not currently offer international listed securities or foreign exchange as part of an MDA.

Together with your adviser, the MDA service provider may implement an investor strategy and construct a portfolio(s) matching that strategy. They may also use these tools to rebalance portfolios and report on their performance.

The Operator is responsible for providing portfolio management tools to the MDA service provider. It is not responsible for what investments your MDA service provider makes on your behalf or how they're managed.

A Portfolio service fee will apply on the value of your account managed under your chosen MDA portfolio(s).

For more information about MDA portfolios, please refer to the 'MDA services' section in the Other Important Information brochure, your agreement with the MDA service provider, or talk to your adviser.

Brokerage for buying and selling Australian listed securities will apply. For more information, refer to the 'Transactional and operational costs' section. These transactions may also have tax consequences.

Fee type	Amount <sup>1</sup>	How and when paid
Portfolio service fee	This fee is determined based on the MDA portfolio selected. It's expressed as a percentage.	Please refer to your adviser and/or MDA agreement for details of the fee rate applicable. The fee is accrued daily on the end of day portfolio balance.  This fee is deducted from the cash holding within the MDA portfolio monthly in arrears shortly after the last day of each month (or upon closure of your portfolio, in which case the fee will be pro-rated for the number of days your portfolio is open).

<sup>1</sup> All figures disclosed include the net effect of GST and RITC. Fees are rounded to the nearest cent. Refer to the 'Additional explanation of fees and costs' section in this IDPS Guide for more information.



## Example of annual fees and costs for a balanced investment option

This table gives an example of how the ongoing annual fees and costs in the balanced investment option for this product can affect your investment over a 1-year period. You should use this table to compare this product with other products offered by managed investment schemes.

Example <sup>1</sup>		Balance of \$50,000 with a contribution of \$5,000 during year
<b>Vanguard Growth Index Fund (VAN0110AU)</b>		
Contribution fees	Nil	For every additional \$5,000 <sup>2</sup> you put in, you'll be charged \$0.
PLUS Management fees and costs <sup>3,4</sup>	0.250% deducted directly from your account + 0.303% deducted indirectly <sup>4</sup> + \$300. <sup>5</sup>	<b>And</b> , for every \$50,000 you have in Vanguard Growth Index Fund (VAN0110AU) you'll be charged or have deducted from your investment \$576.66 each year.
PLUS Performance fees	Nil	And, you'll be charged or have deducted from your investment \$0 in performance fees each year.
PLUS Transaction costs	Nil	<b>And</b> , you'll be charged or have deducted from your investment \$0 in transaction costs.
EQUALS Cost of Vanguard Growth Index Fund (VAN0110AU)	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'd be charged fees and costs of \$576.66. <sup>6</sup> What it costs you will depend on the investment option you choose and the fees you negotiate. <sup>7</sup>	

1 All figures include the net effect of GST and RITC. Refer to the 'Additional explanation of fees and costs' section in this IDPS Guide for more information.

2 For this example, the contribution of \$5,000 is made at the end of the year.

3 This is equal to 0.250% (Administration fee) + Indirect fees and costs of 0.290% (investment costs for Vanguard Growth Index Fund (VAN0110AU)) and 1.500% (Cash account fee on the \$550 retained in your cash account).

4 You're required to maintain a minimum cash balance, and this example reflects the Cash account fee that will apply on your cash account balance held in Australian dollars. If, in addition to \$49,450 invested in the managed fund, you also held \$550 in your cash account, the Cash account fee would be \$8.25 (\$550 × 1.500%).

5 Where you're the account owner of multiple accounts (including super, pension and investments accounts), the Account keeping fee will be charged at an investor level rather than for each account you own. The fee will be pro-rated across accounts according to the number of accounts you hold.

6 Additional fees may apply. The Establishment fee is \$0. And, if you leave the Service early, you may also be charged exit fees of 0% of your total account balance.

7 The administration fees and costs for this product are not subject to negotiation and are outlined in the fees and costs table.

The fees and costs in the example above relate to access to the investments on the Investment list and some (but not all) of the costs within those investments. Additional costs will be charged by the issuers of the investments that you decide to invest in. You should refer to the disclosure documents for the accessible investments for more details on the fees and costs that may be charged by those issuers. The disclosure documents are available on request from your adviser.

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## Cost of product for 1 year

The cost of product gives a summary calculation about how ongoing annual fees and costs can affect your investment over a 1-year period for all investment options. It's calculated in the manner shown in the example on the previous page.

The cost of product assumes a balance of \$50,000 at the beginning of the year with a contribution of \$5,000 during the year. Additional fees such as an establishment fee or an exit fee may apply, refer to the Fees and costs summary for the relevant option.

You should use this figure to help compare this product with other products offered by the Service.

Cost of product	
CFS Edge Investments	\$1,175.00

We're required by law to include cost of product information. As a wrap product, there are a wide range of investment options available with varied fees and costs. This single example is provided for illustrative purposes only and indicates the cost of product if you were to open a CFS Edge Investments account and hold all your investment in the cash account.

The following assumptions apply to this example:

- All figures include the net effect of GST and RITC. Refer to the GST and RITC section above for more information.
- 100% is held in the cash account.
- It's based on the minimum investment amount of \$50,000.
- For this example, the contribution of \$5,000 is made at the end of the year.
- The fees are calculated based on 0.250% (Administration fee) + 1.500% (Cash account fee) + \$300 (Account keeping fee).
- The account isn't linked for fee aggregation.

Additional costs will be charged by the issuers of the investments that you decide to invest in. You should refer to the disclosure documents for the accessible investments for more details on the fees and costs that may be charged by those issuers. The disclosure documents are available on request from your adviser.

This example should be used as a guide only and may not represent the actual fees you'll pay if you join CFS Edge Investments.

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# Insurance

You have the option to apply for insurance and link it to your CFS Edge Investments account.

Insurance options are available with your CFS Edge Investments account. Please refer to the relevant insurer's PDS which can be accessed via [cfs.com.au/cfsedge](https://cfs.com.au/cfsedge). Your adviser can assist you with further details.

The following types of cover are available:

- Life, payable on death or terminal illness
- Total and Permanent Disablement
- Income Protection
- Trauma
- Business Expenses.

The cost of cover will depend on the type and level of cover you require.

## The role of CFS Edge and the insurer

As the insurance policy is issued to you directly, the insurer will be responsible for all decisions relating to your insurance cover, including any claims you make.

You can request to have your insurance premiums debited from your CFS Edge Investments account. If you choose to do this, you and your adviser will need to ensure your cash account has sufficient funds to cover the cost of any insurance premiums when due otherwise your policy could lapse or be cancelled.

## How to apply for cover

To apply for insurance cover, you must complete an insurance application and any other applicable documents requested. Your adviser will need to notify the insurer that the insurance premiums are to be deducted from your CFS Edge Investments account.

The insurer may request further evidence, including medical information from you or one of your doctors, to complete your application. If more information is required, the insurer will contact your adviser directly.

Your application will be assessed individually by the insurer and you'll be notified of the insurer's assessment of your application and, if it's accepted, the date that your insurance cover or change in cover commences.

## How much will your insurance cover cost?

Insurance premiums are the cost that you pay for insurance cover.

They vary according to your age, gender, occupation and type of cover. Insurance premiums may also be affected by your health, whether or not you smoke, and any sporting or recreational activities you participate in.

Premiums are calculated based on your age, the type of insurance cover you hold, and the applicable premium rate. Premiums will be deducted from your cash account periodically as agreed with the insurer.

You can cancel your insurance at any time but if you subsequently decide you'd like to reinstate it, you may be required to provide medical evidence.

Please speak with your adviser and refer to the relevant insurer's PDS for more information.

## Insurance policy fee

The insurer pays us a fee for managing the insurance policy attached to your account.

Insurers' PDSs can be accessed via [cfs.com.au/cfsedge](https://cfs.com.au/cfsedge) and outline the insurance premium costs, eligibility requirements, cancellation conditions and exclusions which apply to each type of insurance cover available. You should read the relevant PDS before deciding whether the insurance is appropriate for you.

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# Keeping you informed

You can access up-to-date information about your transactions, income, expenses and account balance at any time.

## How we'll communicate with you

Your CFS Edge account(s) and investments are at your fingertips through our secure investor portal and the CFS Edge mobile app.

All communications about your account(s) will be sent digitally and will be stored in your CFS Edge investor access portal. When you sign up to the Service, we'll provide you with instructions on how to set your password so you can get started online.

The information provided online will be updated to be within the last 48 hours (excluding hours on a non-business day) before the time of access. The time at which the information is current will be clearly stated.

## Accessing your accounts

### CFS Edge investor access

CFS Edge investor access provides continuous up-to-date information and a range of comprehensive reporting options for all your CFS Edge accounts.

You can access your account(s) online via our investor portal at [investor.cfsedge.com.au](https://investor.cfsedge.com.au).

By completing your application to invest in CFS Edge Investments, you agree that information about your transactions and holdings in CFS Edge Investments will be made available to you through your online portal.

### CFS Edge mobile app

Accessing your CFS Edge account(s) on the go is even easier with the CFS Edge mobile app. Through the app you can:

- view your CFS Edge super, pension and investments account(s)
- get a full view of how your money is invested
- stay up to date with all the activity on your account.

You can download the app through the App Store or Google Play. You can also find out more information about the CFS Edge app at [cfs.com.au/cfsedge](https://cfs.com.au/cfsedge)

Your account information and login details should be kept private and not shared with anyone. If you suspect your personal information has been compromised, please call us.

## Consolidated reporting

One of the benefits of the Service is that you can receive consolidated reporting across all your investments from your adviser. When your adviser links CFS Edge accounts within a family reporting group, they can consolidate reporting for accounts held by you and other related members – subject to privacy requirements being met.

Where your account is linked with other accounts, you consent for your account information (i.e. your investments) to be produced in a single report alongside investments held by other investors, including any family trusts and businesses.

You can remove this access at any time by contacting your adviser.

## Annual statement

An annual statement will be available online by logging into your account at [investor.cfsedge.com.au](https://investor.cfsedge.com.au). We'll let you know as soon as it becomes available.

Your annual statement contains important information about your account for a financial year including:

- deposits and payments made by and to you
- a summary of your investment transactions
- a portfolio valuation on your investments.

A fee of \$10 per statement will be charged if you require a paper statement to be posted to you.

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## Annual tax statement

An annual tax statement will be available online by logging into your account at [investor.cfsedge.com.au](https://investor.cfsedge.com.au). We'll let you know as soon as it becomes available.

Your tax report includes the following information to assist you with completing your tax return:

- details of taxable and non-taxable income received
- the components of each distribution and the relevant franking credits and foreign income tax offset
- comprehensive CGT information with details of any investments sold during the year.

As we depend on external parties to provide tax component information for annual tax statements, delays in receiving this information from fund managers may result in a delay with your tax report.

A fee of \$10 per statement will be charged if you require a paper statement to be posted to you.

## Audit certificates

The audit certificates for CFS Edge Investments will be made available through your online portal.

## Other information

Where we're permitted to by law, other important information about your account(s) will also be made available at [cfs.com.au/cfsedge](https://cfs.com.au/cfsedge) or via email. Please make sure your contact details are kept up to date to continue to receive important information about your account.

## Information from investment managers and companies

We may receive information such as transaction confirmations and annual reports from time to time from the managers of the investments or companies you're invested in. You can request copies of these from your adviser.

## Investment enquiries

Please contact your adviser if you have any questions in relation to your account. They're best placed to provide you with the advice you may require.

## Digital consent

From time to time, we may require you to consent, either by SMS or email, or onscreen, or by using two-factor authentication, to certain transactions completed by you or your adviser. These transactions may include:

- a change of nominated bank account initiated by your adviser
- an update to your ongoing Adviser service fee or inclusion of a one-off Adviser service fee initiated by you or your adviser.

To avoid any delays in processing transactions, please make sure your contact details, including your mobile phone number and email address, are kept up to date. Your contact details will also be used for security validations and to provide secure access to your account. For more information refer to the CFS Privacy Policy, which is available on our website at [cfs.com.au/privacy](https://cfs.com.au/privacy)

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# How to open an account and other information

Before opening a CFS Edge account, please read all the relevant information about your investment.

You should read the information contained in this IDPS Guide as well as the Other Important Information brochure, the Investment list, and the relevant FSG.

Insurance is available via CFS Edge Investments and a selection of insurers will be made available in the future. If you're considering insurance cover, please refer to the insurer's PDS which can be accessed online at [cfs.com.au/cfsedge](https://cfs.com.au/cfsedge)

In addition, before you invest in a managed fund or other investment available through CFS Edge, please read the disclosure document for that investment. If you're considering more than one investment, you should read the relevant disclosure document for each managed fund or other investment, before you invest. If you're investing in an SMA, you should read the relevant SMA PDS before you invest.

Your adviser can provide you with a copy of these documents. Alternatively, you can request copies from us.

For more information regarding CFS Edge, please speak to your adviser, visit [cfs.com.au/cfsedge](https://cfs.com.au/cfsedge), or call us on 1300 769 619.

## Applications

Applications to invest in CFS Edge Investments can only be made by your adviser submitting an application online. There are circumstances where we may permit direct clients to apply for a CFS Edge Investments account. The Operator of the Service is not bound to accept an application. Please read the declarations and acknowledgements before consenting to the application request.

The offer made in this IDPS Guide is available only to persons who are receiving the IDPS Guide within Australia and accepting the offer within Australia. It doesn't constitute an offer in any other country or jurisdiction including the European Union. The offer made in the IDPS Guide is not available to a Sovereign entity, or part of a Sovereign entity group, or a superannuation fund for foreign residents, as defined in the *Income Tax Assessment Act 1997*.

The standard offering in a CFS Edge Investments application classifies you as a retail investor. In order to qualify as a wholesale investor, further evidence and paperwork is required to be submitted. Please refer to the Other Important Information brochure for more information on wholesale investors.

## Complaint resolution for underlying investments and financial product advice

For complaints regarding an investment you hold via your CFS Edge Investments account, you may be able to raise your complaint directly with the product issuer. Where the investment issuer has consented to complaints being raised directly with them, your adviser can assist you with making such a complaint directly. If you're unsure of the contact details of the investment issuer, please call us on 1300 769 619.

If you have a complaint regarding financial advice received in relation to your investments or received in relation to using the Service, please contact your adviser's Australian Financial Services licensee group.



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## What to do if you have a complaint

We recognise that even in the best run organisations things can go wrong. If you have a complaint, please tell us. We aim to resolve complaints promptly and will do all we can to resolve the situation for you.

In resolving your complaint, we will:

- acknowledge your complaint and make sure we understand the issues
- record your complaint and investigate the matters raised
- do everything we can to fix any problems
- keep you informed of our progress
- give you our name, a reference number and contact details so you can follow up at any time
- provide a written resolution letter which explains our investigation, decision and reasons for our decision (for any complaints resolved after five days).

We'll make every effort to resolve your query as quickly as possible, but no later than 30 days.

Occasionally, there may be delays in responding to your complaint, due to the complexity of the resolution or due to circumstances outside of our control. If this occurs we'll let you know about the delay, the reason for the delay and your options, including your right to complain to the external dispute body.

To lodge a complaint, you can contact us by:

Phone: 1300 769 619

Online: By logging into the CFS Edge Client portal at [cfs.com.au/cfsedge](https://cfs.com.au/cfsedge) and using 'Click to Chat' or the webform on the 'Contact us' page.

Mail: Complaint Resolution  
Locked Bag 20130  
Melbourne VIC 3001

## External dispute resolution

If at any time you're not satisfied with how we're handling your complaint or the resolution we've provided, you can lodge a complaint with the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services complaint resolution that's free to consumers. You can contact AFCA by:

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

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

Phone: 1800 931 678 (free call)

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

Time limits may apply to complain to AFCA so you should act promptly or otherwise consult the AFCA website to find out if or when the time limit relevant to your circumstances expires.

