

# REALM

## INVESTMENT HOUSE

### PRODUCT DISCLOSURE STATEMENT



## REALM GLOBAL HIGH INCOME FUND AUD

### IMPORTANT INFORMATION

This Product Disclosure Statement (**PDS**) contains a summary of significant information in relation to the Realm Global High Income Fund AUD ARSN 670 168 144 (referred to throughout this PDS as the '**Fund**'). It also includes references to additional important information (all of which forms part of this PDS) contained in the document titled 'Additional Information Booklet'. The PDS and the Additional Information Booklet can be obtained at no cost by calling One Managed Investment Funds Limited (Phone: 02 8277 0000) or by downloading it from the website [www.oneinvestment.com.au/RealmGHIF](http://www.oneinvestment.com.au/RealmGHIF).

You should read both this PDS and the Additional Information Booklet before making a decision about whether to invest in the Fund. If you received this PDS electronically, a paper copy will be provided free from us during the life of this PDS. We also recommend that you read the Fund's Target Market Determination (available at our website [www.oneinvestment.com.au/RealmGHIF](http://www.oneinvestment.com.au/RealmGHIF)).

The information provided in this PDS and the Additional Information Booklet is general in nature and does not take into account your personal financial situation or needs. You should seek independent financial advice tailored to your own needs before making a decision about whether to invest in the Fund. All references to dollar amounts in this PDS are to Australian dollars unless otherwise stated.

### UPDATED INFORMATION

Information in this PDS is subject to change from time to time and may be updated by us if it is not materially adverse to you. Updated information can be obtained at any time from the website [www.oneinvestment.com.au/RealmGHIF](http://www.oneinvestment.com.au/RealmGHIF). Also, a paper copy of updated information may be provided to you free of charge upon request by contacting One Managed Investment Funds Limited using the details provided above.

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## 1. ABOUT ONE MANAGED INVESTMENT FUNDS LIMITED

The responsible entity is One Managed Investment Funds Limited (**Responsible Entity**). Further information about the Responsible Entity can be found in Section 1.2 below. The Responsible Entity has appointed Realm Investment Management Pty Ltd ACN 158 876 807 (**Investment Manager**) as the investment manager. The Investment Manager's role is to manage the Fund's investments.

The Fund's investment strategy is primarily implemented indirectly through investments in the Realm Global High Income Fund, a wholesale fund that is also managed by the Investment Manager (**Master Trust**). The Responsible Entity is also the trustee of the Master Trust, the Realm Global High Income Fund.

Unless otherwise stated, references to the Investment Manager and the Responsible Entity in this PDS, are to their capacities in respect of both the Fund and the Master Trust.

### 1.1 THE INVESTMENT MANAGER

The Investment Manager forms part of Realm Investment House. Realm Investment House is an asset management firm that has been established by an experienced team of professionals with tested investment beliefs, processes and extensive networks. Realm Investment House is passionate and committed to understanding markets and using the information to deliver a quality outcome for clients.

The Investment Manager believes that the general inaccessibility of bond markets, coupled with a lack of transparency for investors at a retail level, highlights the need for an insightful, professional and experienced manager in this asset class.

The Investment Manager offers investors, through the Fund, the ability to gain access to its team providing portfolio construction, asset selection and ongoing portfolio management.

### 1.2 THE RESPONSIBLE ENTITY

One Managed Investment Funds Limited is part of the One Investment Group. One Investment Group is an independent Australian funds management business established to provide responsible entity, trustee and investment management services. One Investment Group specialises in a range of asset classes including real estate, private equity, infrastructure, equity, mortgage and hedge funds.

As responsible entity of the Fund, and trustee of the Master Trust, our role is to ensure their operation is in accordance with the applicable laws, including the Corporations Act.

We have appointed a properly authorised custodian to hold the Fund's and Master Trust's assets. The role of the custodian is limited to holding the relevant assets. The custodian does not make investment decisions in respect of the assets held or manage those assets and has no liability or responsibility to investors in the Fund. We may change the appointed custodian from time to time, without notice to you.

## 2. HOW THE REALM GLOBAL HIGH INCOME FUND AUD WORKS

**You should read the important information about how the Fund works before making a decision. Go to the 'Additional Information Booklet' available from [www.oneinvestment.com.au/RealmGHIF](http://www.oneinvestment.com.au/RealmGHIF); in particular, Section 2 titled 'How the Fund works'.**

**The material relating to 'How the Fund works' may change between the time when you read this PDS and the day when you acquire or dispose of Units in the Fund.**

The Fund is structured as an Australian unit trust registered under the Corporations Act as a managed investment scheme. This means that, in general, as an investor, you have a beneficial interest in the assets of the Fund calculated as the proportion your Unit holding bears to all of the Units in the Fund which have been issued. You do not however have a right to demand any particular assets of the Fund be transferred to you.

The *Application Price* of Units is the Unit price plus the buy spread, while the *Withdrawal Price* is the Unit price minus the sell spread. The buy/sell spread is explained in Section 6.3.

The Unit price (the price at which Units are issued and redeemed before the application of a buy or sell spread) is determined in accordance with the Fund's Constitution and is calculated each Business Day. The Unit price is determined by dividing the net asset value of the Fund (being the value of the Fund's assets less the liabilities of the Fund) by the number of Units on issue. Therefore, as the market value of the Fund's assets change (i.e. rises and falls), so does the Unit price.

We have a 'Unit Pricing Discretions Policy' which sets out how we will exercise any discretion in relation to the Unit pricing (including determining the value of the Fund's assets and liabilities). A copy of, and records of any departures from, the policy is available to investors from us on request.

We will aim to post the Unit price usually within two Business Days of the respective pricing date on the Investment Manager's website, [www.realminvestments.com.au](http://www.realminvestments.com.au).

If you invest in the Fund through an IDPS (as defined in section 2.2 of the 'Additional Information Booklet') you will not become an investor in the Fund. The operator or custodian of the IDPS will be the investor entered in the Fund's register and will be the only person who is able to exercise the rights and receive the benefits of a direct investor. Your investment in the Fund through the IDPS will be governed by the terms of your IDPS. Please direct any queries and requests relating to your investment to your IDPS operator. Unless otherwise stated, the information in this PDS applies to direct investors.

### 2.1 MINIMUM INVESTMENT

The minimum investment you may make in the Fund is \$25,000, with additional investments of at least \$5,000. We may, in our discretion, accept other application amounts.

There is no minimum withdrawal amount.

### 2.2 APPLICATIONS, WITHDRAWALS AND TRANSFERS

#### APPLICATIONS

You can apply to invest in the Fund by making an Application for Units. You can increase your investment by making an Application for additional Units.

Each Application will be calculated using the Application Price on the Business Day it is accepted by us.

Generally, if an Application is submitted before 2.00pm (Sydney time) on a Business Day (referred to as the **transaction cut-off time**), it will usually be accepted and processed using the Application Price determined as at the close of business that day. If a valid Application is submitted after the transaction cut-off time, or on a non-Business Day, it will usually be accepted and processed using the Application Price determined as at the close of business on the next Business Day.

We will provide notice if the transaction cut-off time changes.

We can refuse to accept Applications at our absolute discretion. Applications may be invalid for various reasons (e.g. not providing the correct application moneys or not including all required information). Applications will not be accepted unless or until valid documentation is received, in which case, they will be processed using the Application Price on the day the Application is accepted by us or if an Application Price is not calculated for that Business Day, the next Application Price which is calculated. Interest will not be paid on your application money.

#### WITHDRAWALS

Whenever the Fund is liquid (as defined in the Corporations Act), you can make withdrawal requests for all or part of your investment in accordance with the Constitution. Unit holders can withdraw from the Fund by submitting a withdrawal request to the Fund's registry.

Generally, if a valid withdrawal request is received by the Fund's registry before 2.00pm (Sydney time) on a Business Day (referred to as the **transaction cut-off time**), it will usually be processed using the Withdrawal Price determined as at the close of business on that day. Valid withdrawal requests received after the relevant transaction cut-off time, or on a non-Business Day will usually be accepted and processed using the Withdrawal Price calculated as at the close of business on the next Business Day.

We will provide notice if the transaction cut-off time changes.

Provided the Fund is liquid, valid withdrawal requests are generally accepted and processed within five Business Days of acceptance.

Exceptions to this may see additional time required and the Constitution allows us to make payment up to 21 days after we accept a valid withdrawal request.

We are not required to accept withdrawal requests in certain circumstances (see section 2.4 in the Additional Information Booklet for details). If withdrawals are suspended, you may not be able to withdraw from the Fund within the usual period.

If we receive requests for withdrawals over a rolling seven day period with an aggregate value of more than 10% of the Fund, then we may (at our discretion) reduce each request on a pro rata basis so that only Units equal to 10% of the value of the Fund are redeemed in that period. If this occurs, then any part of a withdrawal request that is not processed will automatically be held over and processed (in full or in part) on the next Business Day Units are able to be redeemed. There is therefore a risk you may not be able to access all of your money when you make a withdrawal request.

If the Fund is illiquid (for the purposes of the Corporations Act), then you will only be able to withdraw your investment by accepting a withdrawal offer made by us to all investors. There is no obligation for us to make a withdrawal offer. At the date of this PDS, the Fund is liquid and we believe the Fund will continue to be liquid. If the Fund becomes illiquid, we will publish a notice on the Fund's website.

There may be taxation and stamp duty consequences on the withdrawal of units.

## TRANSFERS OF UNITS

To transfer Units, complete a transfer form available from us and send the original to the Fund's registry. Under the Constitution we have a discretion to accept or reject a transfer of Units. The buyer must provide information regarding their identity and tax status. You will receive confirmation if/when your transfer is processed. There may be taxation and stamp duty consequences on a transfer of Units.

## 2.3 DISTRIBUTIONS

A Unit entitles you to participate in income generated from the assets of the Fund. The Fund expects to make distributions on a monthly basis. Subject to the Constitution, distributions (if any) are generally paid within 14 Business Days after each month end and generally within two months after 30 June of each year.

Distributions are not guaranteed and may not be payable for a number of reasons, such as the fixed income markets experiencing heightened volatility and losses being incurred by the Fund.

During the financial year, we will determine the income (if any) to be distributed to the Unit holders each month, which will be based on an estimate of the distributable income for the whole of the financial year. The final distribution for each financial year (i.e. the distribution made after 30 June of each year) will be the amount by which the distributable income (if any) for the financial year exceeds the aggregate value of distributions made during that financial year.

In the event the amount distributed to you during a financial year exceeds the actual income of the Fund for that financial year, the excess amount paid to you will be classified as a capital distribution.

Your income and capital distributions will be automatically reinvested back into the Fund, unless you elect to receive distributions in cash. You can make this election in your Application. If you wish to change your election after submitting your Application, an election form can be obtained by contacting the Fund's registry.

No buy/sell spread applies to Units issued to you as a result of reinvestment of your distributions.

Investors should be aware that there may be tax implications associated with the reinvestment of your distribution. Investors should obtain professional tax advice on this issue before investing in the Fund and make their own arrangements for any tax liabilities that arise.

Distributions will not be paid by cheque. Where you elect to receive your distribution in cash this will be paid directly to your nominated financial institution account.

Indirect investors should review the IDPS guide issued by their IDPS operator for information on how and when they receive any income distribution.

## 3. BENEFITS OF INVESTING IN THE REALM GLOBAL HIGH INCOME FUND AUD

**You should read the important information about the benefits of investing in the Fund before making an investment decision. Go to the 'Additional Information Booklet' available from [www.oneinvestment.com.au/RealmGHIF](http://www.oneinvestment.com.au/RealmGHIF); in particular, Section 3 titled 'Benefits of investing in the Fund'.**

**The material relating to the benefits of investing in the Fund may change between the time when you read this PDS and the day when you acquire or dispose of Units in the Fund.**

### 3.1 SIGNIFICANT FEATURES

The Fund provides indirect exposure to an actively managed portfolio of global fixed income securities, largely comprising of bank and corporate bonds and asset backed securities.

### 3.2 SIGNIFICANT BENEFITS

Investment in the Fund offers the following significant benefits:

- **Professional management** – Access to a highly experienced investment management team, with a proven and successful track record managing credit portfolios.
- **Active management** – Investments are actively managed by an experienced investment team who are not conflicted by agendas or incentives outside of managing the money.
- **Exposure to global credit opportunities** – Access to a portfolio of higher yielding global fixed income assets that individual investors may not be able to access directly on their own.
- **Monthly distributions** – The Fund aims provide a regular income stream by way of monthly distributions. Distribution amounts will vary and are not guaranteed.

## 4. RISKS OF MANAGED INVESTMENT SCHEMES

**You should read the important information about the risk of managed investment schemes before making a decision. Go to the 'Additional Information Booklet' available from [www.oneinvestment.com.au/RealmGHIF](http://www.oneinvestment.com.au/RealmGHIF); in particular, Section 4 titled 'Risks of managed investment schemes'.**

**The material relating to risks of investing may change between the time when you read this PDS and the day when you acquire or dispose of Units in the Fund.**

All investments have some level of risk. Managed investment schemes invest in a range of asset classes, for example, cash, bonds, equities and property, each of which offer different levels of risk. The likely investment return and the level of risk of losing money differs among managed investment schemes depending on the underlying mix of assets. Typically, those assets with potentially the highest return (such as derivatives) also have the highest risk of losing money over the short term. Fixed income as an asset class exhibits its own unique risks and is impacted by market volatility as well as a cross-section of structural, regulatory and issuer-specific risks.

When considering investing in the Fund, it is important to understand that the value of your investment will go up and down, returns are not guaranteed, the level of return will vary and you may lose some or all of your money. Past performance is not an accurate predictor of future performance. Laws affecting your investment in the Fund may change.

The significant risks of the Fund (below) should be considered in light of your risk profile when deciding whether to invest in the Fund. The appropriate level of risk for you will depend on a range of factors including your age, investment time frames, where other parts of your wealth are invested and how tolerant you are to the possibility of losing some or all of your money in some years.



Some of the significant risks of an investment in the Fund are set out below:

- **Market risk.** The value of the Fund's investments may fluctuate for a variety of reasons including changes in economic conditions, market sentiment, government regulations, political events, natural disasters, climate and changes in technology. The effects on the value of each underlying investment will vary and cannot be predicted with certainty.
- **Investment specific risk.** The price of a specific investment of the Fund may be affected by market risk (above) but also factors which are specific to that investment.
- **Strategy Risk.** The Fund seeks to deliver returns through the market cycle with a blended top-down and bottom-up approach, with a key emphasis on global corporate debt. The nature of the strategy is such that loss could be incurred by virtue of errant asset sector allocation decisions or through errant security selection.
- **Liquidity risk.** The Investment Manager's ability to invest and liquidate assets may, from time to time, be restricted by the liquidity of the market. This may in turn cause the delay in payment of withdrawals. Any delay in acquiring assets could adversely impact the performance of the Fund.
- **Investment Manager risk.** An important issue that you must consider is the competency of the Investment Manager. An investment in the Fund is an indication that you believe that the Investment Manager is capable of making decisions that are in the best interests of the Fund.
- **Interest rate risk.** The yield and face value of securities can be affected by interest rate movement. In instances where interest rates rise, the face value of certain fixed rate securities may decline. Equally in circumstances where interest rates decline the yield of certain floating rate securities will drop to reflect the floating rate nature of the yield. Equally longer-term interest rate expectations have the ability to impact the value of longer dated fixed rate securities. The expectation of future rates is embodied in the "yield curve".
- **Currency risk:** The functional currency of the Fund is Australian dollars. The functional currency of the Master Trust is US dollars and the Portfolio will include global assets denominated in multiple currencies. Movements in exchange rates may cause a rise or fall in the value of the Fund's Units and/or assets (held directly or indirectly) which are denominated in a different currency to that of the Fund. This risk is mitigated through currency hedging activities. While the Investment Manager aims to fully hedge currency exposures (for both the Fund and the Master Trust) the exposures may not be hedged perfectly. Instruments used to gain or hedge currency exposure are subject to derivatives risk.
- **Ratings risk:** Investments may or may not have been assigned credit ratings by independent ratings agencies. A ratings downgrade could significantly reduce the value of an investment and impact the value of the Units of the Fund. Credit ratings do not guarantee the credit quality of a security, its underlying assets or its repayment, and may be re-assessed by ratings agencies in a range of circumstances. Ratings agencies can make mistakes. The Investment Manager seeks to minimise this risk by assessing the credit risks inherent in any investments it makes.
- **Risks of trading derivatives.** The value of derivative instruments is linked to the value of an underlying asset (or an interest rate, share index or other reference point) and can be highly volatile. While derivatives offer the opportunity for higher gains for a smaller initial cash outlay, they can also result in significant losses, sometimes significantly in excess of the amount invested to purchase the derivative. Risks associated with using derivatives might include the value of the derivative failing to move in line with that of the underlying asset, potential illiquidity of the derivative, a fund not being able to meet payment obligations as they arise, and counterparty risk (where the counterparty to the derivative contract cannot meet its obligations under the derivatives contract).

If market movements, investments into or withdrawals from the Fund, or changes in the nature of an investment, result in the Fund or the Portfolio being geared through derivatives, this will be addressed by the Investment Manager or us as soon as reasonably practicable. The Investment Manager aims to ensure that there are sufficient liquid assets available to meet costs and other liabilities of any derivatives that are used (that is, while a derivative may turn out to be loss making, the Investment Manager aims to keep sufficient liquid assets available to meet such losses).

- **International risk.** International investments may be more affected by political and economic uncertainties, lower regulatory supervision, movements in currency and interest rates and possibly more volatile, less liquid markets.
- **Fund risk.** There are risks of investing in the Fund rather than investing directly. Risks include, but are not limited to, the risk that the Fund could be closed or terminated before the Fund's minimum suggested investment period has expired and your money returned to you at the prevailing valuations at that time. We or the Investment Manager could be replaced or investments and withdrawals by one or more Unit holders may have an impact on other Unit holders.

The Fund's investment strategy is primarily implemented through an investment in the Master Trust. The Master Trust may be replaced by another interposed vehicle managed by the Investment Manager without approval from or notice to you. Changes to may be made to the Master Trust or any interposed vehicle without your approval. If the Master Trust or another interposed vehicle through which the Fund invests is suspended, closed or terminated for any reason, the Fund would be exposed to those changes.

## 5. HOW WE INVEST YOUR MONEY

**You should read the important information about how we invest your money before making a decision. Go to the 'Additional Information Booklet' available from [www.oneinvestment.com.au/RealmGHIF](http://www.oneinvestment.com.au/RealmGHIF); in particular, Section 5 titled 'How we invest your money'.**

**The material relating to how your money is invested and the Investment Manager's philosophy may change between the time when you read this PDS and the day you acquire or dispose of Units in the Fund.**

**Warning:** You should consider the likely investment return, the risk and your investment time frame when choosing an investment in the Fund.

### INVESTMENT RETURN OBJECTIVE

The Fund's investment return objective is to deliver a consistent return (net of fees) of approximately 2.5% to 3.5% over the Reserve Bank of Australia (RBA) overnight cash rate per annum.

The return objective may be adjusted from time to time to reflect changing market conditions. **The return objective is not a forecast. The Fund may not be successful in meeting its objective. Returns are not guaranteed.**

### INVESTMENT STRUCTURE AND PROCESS

The Fund's investment strategy is primarily implemented indirectly through the Master Trust, a special purpose US dollar denominated, wholesale unit trust.

The Fund holds direct investments in the Master Trust, as well as cash (for liquidity management) and derivatives (for currency hedging purposes).

The Fund's investment in the Master Trust provides investors with indirect exposure to the asset classes targeted by the Fund's investment strategy and held within the Master Trust's portfolio (**Portfolio**).

The Fund's returns will be primarily driven by the Investment Manager's relative value assessment around sector allocation as well as asset selection. This relative value screen is embedded in the top-down portion of the Investment Manager's process.

### TARGETED ASSET CLASSES

The Fund's primary emphasis is to provide indirect exposure to the Master Trust's Portfolio of global investment grade asset-backed, bank-issued and corporate bonds.

Notwithstanding this primary emphasis, the Portfolio may also include investments in global non-investment grade bonds, global government securities, inflation linked securities, hybrid securities, revolving credit facilities, bank term deposits, international agency, supranational debt, derivatives and cash.

At least 75% of the Portfolio will be investment grade assets. These are assets with a credit rating of BBB- or higher or unrated assets of similar credit quality. Issuers of investment grade assets are considered to have a strong capacity to meet their payment obligations (although no guarantee can be given about this matter).

## DERIVATIVES

Derivatives are used directly by the Fund and indirectly within the Portfolio as a risk management tool. The most commonly used derivatives (by the Fund and within the Portfolio) are government bond futures to manage interest rate risk and currency swaps to manage foreign exchange risk.

In addition, swaps are used within the Portfolio to manage credit risk including by creating the economic effect of covered short sales.

Lastly derivatives can also be used within the Portfolio to gain exposure to a particular market as an alternative to purchasing physical assets. The Investment Manager only does this when the use of derivatives offers a more cost-effective way of gaining exposure to the market than purchasing the physical asset. Derivatives are not utilised to create overall portfolio exposures whose general characteristics could not be obtained from an unlevered investment in allowable physical bonds.

## FX HEDGING

The Fund will seek to hedge its currency exposure back to the Australian dollar using currency swaps.

Similar instruments will be used within the Portfolio to hedge currency exposures back to the Master Trust's functional currency, the US dollar.

## LABOUR STANDARDS, ENVIRONMENTAL, SOCIAL AND ETHICAL CONSIDERATIONS

The Investment Manager recognises the importance of labour standards and environmental, social and ethical considerations (ESG factors) in investments. Consideration of ESG factors forms part of the Fund's investment process. See the Additional Information Booklet for further details.

## CHANGES

The Fund's investment strategy and asset mix may be revised from time to time as a result of ongoing research and development, without notice to you. You will be notified of significant and material changes on the Fund's website or by our normal investor communication.

### SUMMARY TABLE

|  |  |                              |          |
|--|--|------------------------------|----------|
| <b>Investment return objective</b>         | Deliver a consistent return (net of fees) of approximately 2.5% to 3.5% over the RBA overnight cash rate per annum.  |                              |          |
| <b>Mix of asset classes <sup>1</sup></b>   | The Fund will hold direct investments in the Master Trust (providing indirect exposure to the Portfolio), cash (for liquidity management) and derivatives (for currency hedging purposes).<br>The primary mix of asset classes within the Portfolio are: |                              |          |
| <b>Primary asset class <sup>1</sup></b>    | <b>Portfolio Ranges <sup>3</sup></b>   |                              |          |
|  | <b>Permitted</b>   | <b>Targeted <sup>3</sup></b> |          |
|  | Investment grade global fixed income asset <sup>2</sup>  | 0%-100%                      | 75%-100% |
|  | Non-investment grade global fixed income assets <sup>2</sup>   | 0%-25%                       | 0%-25%   |
| Cash or cash-equivalent                    | 0%-100%  | 5%-10%                       |          |
| <b>Minimum suggested investment period</b> | Two to five years  |                              |          |

### Summary risk level

Medium

The Portfolio will primarily be invested in investment grade debt assets, however a portion of the Portfolio (up to 25%) may be invested in non-investment grade assets.

On balance, the Investment Manager believes the Fund will expose investors to a medium level of risk. This could be summarised as being below the risk and volatility of equities, but above that of high-grade corporate debt.

As with all investments, there is a risk that investors may lose some or all of their capital.

### Who the Fund may suit

Investors seeking exposure to an actively managed diversified portfolio of global fixed income securities that is relatively unaffected by currency fluctuation.

### Notes:

- The primary asset classes within the Portfolio. Investments in other asset classes are permitted (including listed securities) where the Investment Manager believes it is appropriate and in the best interests of investors. Derivatives can be used within the Portfolio to gain market exposures and for the purpose of hedging.
- Exposures within the Portfolio may take the form of units in both registered and unregistered managed investment schemes, notes, securities or derivatives (when they offer a more cost-effective way of purchasing the underlying security).
- While the Investment Manager intends that the asset mix of the Portfolio will be within the target ranges, there are times when the asset mix will fall outside of the target ranges (due to market movements, changes to asset classes or investments into or withdrawals from the Fund). When this occurs, it will be addressed by the Investment Manager, and brought within the targeted ranges, soon as reasonably practicable.

## 6. FEES AND COSTS

### DID YOU KNOW?

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

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

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

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

### TO FIND OUT MORE

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

This PDS shows fees and other costs that you may be charged. These fees and costs may be deducted from the money you invest, from the returns on your investment or from the Fund's assets as a whole. Taxes are set out in another part of this PDS.

You should read all the information about fees and costs as it is important to understand their impact on your investment. Unless otherwise stated, the fees set out in this Section 6 are inclusive of GST, net of any input tax credits (ITCs) and reduced input tax credits (RITCs) to which the Fund is entitled.

## 6.1 FEES AND COSTS SUMMARY

| REALM GLOBAL HIGH INCOME FUND AUD   |   |   |
|---|---|---|
| Type of fee or cost   | Amount                                  | How and when paid   |
| <b>Ongoing annual fees and costs<sup>1</sup></b>  |   |   |
| <b>Management fees and costs</b><br>The fees and costs for managing your investment   | 0.8125% of GAV                          | Management fees of 0.7175% are calculated daily on the GAV and paid monthly in arrears from the Fund.<br><br>Indirect costs, estimated at 0.095% of GAV, are paid out of the Fund's assets as and when incurred.  |
| <b>Performance fees</b><br>Amounts deducted from your investment in relation to the performance of the product              | N/A                                     | Not applicable.   |
| <b>Transaction costs</b><br>The costs incurred by the scheme when buying or selling assets                                  | Nil                                     | Transaction costs are variable and deducted from the Fund's assets as they are incurred and are reflected in the Unit price. They are disclosed net of amounts recovered by the buy/sell spread.<br><br>This figure includes transaction costs of any interposed vehicles in which the Fund invests (including the Master Trust). |
| <b>Member activity related fees and costs (fees for services or when your money moves in or out of the scheme)</b>          |   |   |
| <b>Establishment fee</b><br>The fee to open your investment   | N/A                                     | Not applicable.   |
| <b>Contribution fee</b><br>The fee on each amount contributed to your investment  | N/A                                     | Not applicable.   |
| <b>Buy-sell spread</b><br>An amount deducted from your investment representing costs incurred in transactions by the scheme | <b>Buy:</b> 0.05%<br><b>Sell:</b> 0.05% | These costs are an additional cost to an investor when investing or withdrawing from the Fund. These costs are incorporated into the Unit price and not separately charged to the investor.<br><br>Spreads are subject to change, subject to Section 6.2 for details.   |
| <b>Withdrawal Fee</b><br>The fee on each amount you take out of your investment   | N/A                                     | Not applicable.   |
| <b>Exit fee</b><br>The fee to close your investment   | N/A                                     | Not applicable.   |
| <b>Switching fee</b><br>The fee for changing investment options   | N/A                                     | Not applicable.   |

- All estimates of fees and costs in this section are based on information available as at the date of this PDS and are inclusive of GST, net of any input tax credits (ITCs) and reduced input tax credits (RITCs) to which the Fund is entitled. All fees reflect our reasonable estimates of the typical fees for the current financial year. As the Fund is newly established, the costs reflect our reasonable estimates as at the date of this PDS of those costs that will apply for the current financial year (adjusted to reflect a 12-month period).

## ADDITIONAL EXPLANATION OF FEES AND COSTS

### 6.2 MANAGEMENT COSTS

**You should read the important information about fees and costs before making a decision. Go to the 'Additional Information Booklet' available from [www.oneinvestment.com.au/RealmGHIF](http://www.oneinvestment.com.au/RealmGHIF); in particular, Section 6 titled 'Fees and costs'.**  
**The material relating to fees and costs may change between the time when you read this PDS and the day when you acquire or dispose of Units in the Fund.**

The management costs include the management fee charged by the Investment Manager to manage and oversee the operation of the Fund. This fee will accrue daily and is payable monthly in arrears out of the assets of the Fund.

From this management fee, we pay ourselves a trustee fee and the costs of third parties providing services such as custody, fund administration and registry. The Investment Manager receives the residual balance of the management fee after these fees and costs have been deducted. If there is a shortfall, the Investment Manager may pay the difference to the Fund. If this is not paid, the additional costs may be paid by the Fund.

We will be entitled to be reimbursed out of the assets of the Fund for trust-related expenses, for example legal fees, taxation advice, audit fees and costs of members' meetings. Expense recoveries are estimated at 0.095% of GAV (inclusive of GST, net of ITCs and RITCs) per annum and will not exceed 0.10% of the GAV.

### 6.3 TRANSACTIONAL AND OPERATIONAL COSTS

These are the costs associated with implementing the Fund's investment strategy. They include the buy/sell spread, and other transactional and operational costs.

Transaction costs also include custodial transaction costs, brokerage, costs associated with derivatives and transaction costs incurred by interposed vehicles in which the Fund invests (including the Master Trust), that would have been transaction costs if they had been incurred by the Fund itself.

Transactional and operational costs are payable from the Fund's assets or an interposed vehicle's assets as and when incurred and vary from year to year.

Transaction costs are an additional cost to the investor where they are not recovered by the buy/sell spread, and are generally incurred in connection with day-to-day trading or when applications or withdrawals cause net cash flows into or out of the Fund.

The buy/sell spread reflects our estimate of the transaction costs expected to be incurred in buying and selling assets as a result of investments in, and withdrawals from, the Fund. The purpose of the buy/sell spread is to ensure those investors transacting in Units at a particular time bear the costs of buying and selling assets as a consequence of their transaction.

The buy/sell spread is incorporated into the Application and Withdrawal prices, as such it is an additional cost to investors but it is not a fee paid to us or the Investment Manager, but is instead retained as assets of the Fund.

The buy/sell spread will vary depending on the liquidity within the fixed income market at the time of application or redemption.

The Fund uses the North American Investment Grade 5 Year CDX Index (**CDX Index**) as a measure for general credit market liquidity for the purpose of determining the buy/sell spread.

The table below lists the maximum buy/sell spread permitted with different levels of the CDX Index (zero representing low market volatility and 240 and above representing high market volatility).

| CDX Index level       | 0-80   | 80-160  | 160-240  | >240   |
|-----------------------|--------|---------|----------|--------|
| Indicative volatility | Low    | Low-med | Med-high | High   |
| Maximum buy spread    | +0.05% | +0.125% | +0.20%   | +0.50% |
| Maximum sell spread   | -0.05% | -0.125% | -0.20%   | -0.50% |

During periods of high market volatility in which the maximum buy/sell spread applies, if a person withdraws \$1,000 from the Fund, a sell spread of -0.50% or \$5 would apply, in effect as an additional cost to them. During that same period, if a person invests \$1,000 in the Fund, a buy spread of +0.50% or \$5 would apply, in effect as an additional cost to them.

The buy/sell spread is expected to offset transactional and operational costs completely.

## 6.4 EXAMPLE

The table below gives an example of how the fees and costs for this Fund can affect your investment over a one-year period if you only hold Units. You should use this table to compare this product with other managed investment products.

| EXAMPLE – REALM GLOBAL HIGH INCOME FUND AUD |                    | BALANCE OF \$50,000 WITH A CONTRIBUTION OF \$5,000 DURING THE YEAR   |
|---|--------------------|--|
| Contribution Fees                           | N/A                | For every additional \$5,000 you put in, you will be charged \$0.  |
| <b>PLUS</b><br>Management fees and costs    | 0.8125% of the NAV | <b>AND</b> For every \$50,000 you have in the Fund, you will be charged or have deducted from your investment <b>\$446.88</b> in management fees and costs.  |
| <b>PLUS</b><br>Performance fees             | N/A                | No performance fees are payable in respect of the Fund.  |
| <b>PLUS</b><br>Transaction costs            | \$0                | <b>And</b> , you will be charged or have deducted from your investment <b>\$0</b> in transaction costs.  |
| <b>EQUALS</b><br>Cost of the Fund           |                    | If your balance was \$50,000 at the beginning of the year, and made an additional \$5,000 contribution during that year, then for that year you will be charged fees and costs of <b>\$446.88</b> for the product. |

\*Additional fees may apply. Transaction costs are net of amounts recovered by the buy/sell spread (see Section 6.2). The cost of the Fund you will depend on when your contribution is made during the year. See the Additional Information Booklet for details regarding how the example was calculated.

**Warning:** If you have a financial adviser, then you may also have to pay additional fees. Details of those fees should be set out in the Statement of Advice or Financial Services Guide given to you by your adviser.

ASIC provides a fee calculator on [www.moneysmart.gov.au](http://www.moneysmart.gov.au), which you may use to calculate the effects of fees and costs on account balances.

The indirect costs and other expenses component of management fees and costs and transaction costs are estimates. The total fees and costs that you are charged may differ from the figures shown in the table.

## 6.5 CHANGES TO FEES

The fees and costs may change subject to any maximum limits specified in the Fund's Constitution. Reasons might include changing economic conditions, changes in regulation or changes in the Master Trust.

Investors will be advised of changes to fees at least 30 days prior to the changes taking effect, allowing time for a withdrawal option to be executed if desired.

## 7. HOW MANAGED INVESTMENT SCHEMES ARE TAXED

**Warning:** Investing in a registered managed investment scheme (such as the Fund) is likely to have tax consequences.

You are strongly advised to seek your own professional tax advice about the applicable Australian tax (including income tax, GST and duty) consequences and, if appropriate, foreign tax consequences which may apply to you based on your particular circumstances before investing in the Fund.

**You should read the important information about taxation before making a decision. Go to the 'Additional Information Booklet' available from [www.oneinvestment.com.au/RealmGHIF](http://www.oneinvestment.com.au/RealmGHIF); in particular, Section 7 titled 'Taxation'.**

**For the avoidance of doubt, the information contained therein is intended to be general in nature and should not be considered a substitute for an investor to obtaining professional tax advice regarding its investment in Fund.**

**The material relating to taxation may change between the time when you read this PDS and the day when you acquire or dispose of Units in the Fund.**

The Fund is an Australian resident for tax purposes will typically distribute all its taxable income each year on a fair and reasonable basis in accordance with the Fund's Constitution, to ensure the Fund will not be required to pay tax.

The Fund will not generally pay tax on behalf of Unit holders. Where the Fund is eligible to be Attributed Managed Investment Trust (AMIT), Australian resident investors will be assessed for any tax on any income and capital gains attributed to them (including income reinvested back into the Fund). Where the Fund is not an AMIT, Australian investors will be assessed on income and capital gains generated by the Fund to which they become presently entitled.

Registered managed investment schemes do not generally pay tax on behalf of Australian investors.

You will be issued with an AMIT Member Annual (AMMA) statement after the end of each financial year, which will show the income attributed to you for that particular year. For tax purposes, you will be required to include the amounts of income attributed to you as disclosed on the AMMA statement in preparing for your tax return.

## 8. HOW TO APPLY

To make an investment into the Fund simply complete all sections of the Application Form available on our website.

Under the Constitution, the Responsible Entity has absolute discretion to accept or reject any Application without giving a reason for the decision. We have the discretion to delay processing Applications where we believe this to be in the best interest of the Fund's investors. Interest earned on Application funds will be retained by the Fund.

If we refuse to accept an Application, any funds received from you will be returned to you (without interest).

By applying to invest in the Fund, you consent to your personal information being collected, used and disclosed by the Responsible Entity for the purposes of processing your Application (including any Application for additional Units) and in our Privacy Policy.

### 8.1 COOLING-OFF

A 14-day cooling-off period applies to your investment. Your cooling off period commences on the earlier of:

- the date you receive confirmation of your transaction; and
- the end of the fifth business day after we issue your Units to you.

If you tell us in writing during your cooling-off period you want to withdraw your investment, then we will return your money to you and no fees will apply.



However, if your Units have already been issued to you, then they will be redeemed. The Withdrawal Price on the date of the redemption, which may be different (higher or lower) to the price at which they were issued. There may also be some tax consequences which arose during the holding period (however brief).

If you are a wholesale client (as defined in section 761G of the Corporations Act), the cooling-off period is not available to you.

## 8.2 COMPLAINTS

The Responsible Entity takes complaints seriously and aims to resolve all complaints as quickly as possible. In the first instance, if you have a complaint, then you should notify the Responsible Entity immediately using the following contact details:

Address: Level 16, Governor Macquarie Tower  
1 Farrer Place  
Sydney NSW 2000

Phone: 02 8277 0000

Post: Complaints Officer  
PO Box R1471  
Royal Exchange NSW 1225

Email: complaints@oneasset.com.au

If we receive a complaint, we will acknowledge it as soon as practicable and investigate the complaint with a view to resolving it and responding as soon as possible.

If you are a retail investor and you are not satisfied with the Responsible Entity's response, then you can refer your complaint to the Australian Financial Complaints Authority (**AFCA**), an external complaints handling body of which we are a member. The role of this body is to provide you a free and independent assessment of your complaint. AFCA can be contacted as follows:

Website: www.afca.org.au

Email: info@afca.org.au

Phone: 1800 931 678 (free call)

In writing to: Australian Financial Complaints Authority  
GPO Box 3  
Melbourne Victoria 3001.

Time limits may apply to complain to AFCA and 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.

AFCA is independent of us and the Investment Manager. AFCA does have some rules which may change from time to time, including that the claim involved must generally be under a certain financial amount – current details can be obtained from www.afca.org.au.

## 9. ADDITIONAL INFORMATION

### 9.1 ASX QUOTATION

We may apply to ASX for the Fund to be admitted to trading status and for the Units to become quoted, without notice to you. There is however no guarantee that we will do so.

If an application is made and it is successful, we will notify you via our normal investor communication.

### 9.2 OTHER MATTERS

The offer made in this PDS is only available to persons receiving this PDS in Australia, electronically or otherwise.

It is not an offer to issue, or a solicitation of an offer to issue, any Units in any place where it is unlawful to do so or to any person to whom it is unlawful to make such an offer or solicitation.

This PDS does not constitute a direct or indirect offer of securities in the US or to any US Person as defined in Regulation S under the US Securities Act of 1933 as amended (**US Securities Act**). The Responsible Entity may vary its position and offers may be accepted on merit at Responsible Entity discretion. The Units in the Fund have not been, and will not be, registered under the US Securities Act unless otherwise determined by the Responsible Entity and may not be offered or sold in the US to, or for, the account of any US Person (as defined) except in a transaction that is exempt from the registration requirements of the US Securities Act and applicable US state securities laws.

Your investment in the Fund is governed by the terms and conditions described in this PDS as well as the Fund's Constitution, as those documents are supplemented, replaced or re-issued from time to time. Copies of those documents are available free from us.

## 9.3 GLOSSARY

The following terms in this PDS have the meanings set out below:

**Additional Information Booklet** – the additional information booklet titled 'Additional Information Booklet' and which forms part of this PDS.

**Application** – an application to invest in the Fund or to acquire additional Units in the Fund (as the context requires).

**Application Price** – the price of Units applied for, being the Unit price plus the buy spread, determined in accordance with section 2.2.

**Application Form** – The online or paper application form for the Fund accompanying this PDS. Links to both are available on our website – www.oneinvestment.com.au/RealmGHIF.

**ASIC** – The Australian Securities and Investments Commission.

**Business Day** – A day on which banks are open for business in Sydney, excluding Saturday, Sunday or public holidays.

**Constitution** – The constitution of the Fund dated 1 August 2023.

**Corporations Act** – Corporations Act 2001 (Cth) as amended from time to time.

**Credit rating** – A rating issued by Standard & Poor's or an equivalent rating issued by another ratings agency.

**Fund** – The Realm Global High Income Fund AUD ARSN 670 168 144.

**GAV** – The gross asset value of the Fund.

**Investment Manager** – Realm Investment Management Pty Ltd ACN 158 876 807, a corporate authorised representative (number 424705) of Realm Pty Ltd ACN 155 984 955, AFS licence number 421336, in its capacity as the investment manager of the Fund, and where relevant, of the Master Trust.

**Master Trust** – The Realm Global High Income Fund, a special purpose, US dollar denominated, wholesale unit trust.

**NAV** – the net asset value of the Fund.

**Portfolio** – the assets the Master Trust, to which the Fund is exposed to indirectly via investments in the Master Trust.

**Unit** – A unit issued under this PDS with an APIR Code of OMF4269AU.

**we, us and our or Responsible Entity** – One Managed Investment Funds Limited ABN 47 117 400 987, AFS licence number 297042 in its capacity as the responsible entity of the Fund, and where relevant, as the trustee of the Master Trust.

**Withdrawal Price** – the price of Units redeemed, being the Unit price minus the sell spread, determined in accordance with section 2.2.