

# Fidelity Asia Fund

## Product Disclosure Statement

Issued 1 July 2019

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### Important information

This Product Disclosure Statement (PDS) is a summary of significant information relating to the Fidelity Asia Fund (ARSN 116 072 498) (Fund). It also includes references to important information (marked with a **i** symbol), each of which forms part of this PDS. This is important information you should read together with this document before making a decision to invest in the Fund. You can access the 'Additional Information' document on our website, [www.fidelity.com.au/funds/fidelity-asia-fund](http://www.fidelity.com.au/funds/fidelity-asia-fund) or request a copy free of charge by calling our Client Services team on 1800 044 922.

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

Information in this PDS is subject to change from time to time. Information that is not materially adverse can be updated by us by placing such information on our website. A paper copy of this information is also available free of charge on request by calling our Client Services team on 1800 044 922. For indirect investors, updated information can also be obtained by contacting your Investor Directed Portfolio Service (IDPS) operator. Alternatively, you can contact your financial adviser, go to our website or call our Client Services team on 1800 044 922.

The offer made in this PDS is available only to persons receiving this PDS (electronically or otherwise) within Australia. Applications from outside Australia will not be accepted. Applications from US citizens or US residents who have an obligation to pay tax to the US tax authorities on their worldwide income will not be accepted. Fidelity, Fidelity International and the Fidelity International logo and F symbol are trademarks of FIL Limited.

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#### Client Services team

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**APIR code:** FID0010AU  
**mFund:** FIL10  
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## 1. About FIL Responsible Entity (Australia) Limited

FIL Responsible Entity (Australia) Limited (ABN 33 148 059 009 AFSL No. 409340) (FREAL, we, us, our) is the responsible entity for the Fund. We are responsible for the day-to-day operation of the Fund and for ensuring it complies with the Constitution and relevant laws. This responsibility includes establishing, implementing and monitoring the Fund's investment objective and strategy. We are the issuer of units in the Fund and have prepared this PDS.

FREAL is a member of the group of companies known as Fidelity International (Fidelity). FREAL has appointed FIL Investment Management (Australia) Limited (ACN 006 773 575 AFSL 237865) (FIMAL), also a member of Fidelity, as the investment manager of the Fund. FIMAL has the power under the terms of its appointment with us to sub-authorise other members of the Fidelity group to manage some or all of the Fund's assets and/or to perform certain tasks and services in relation to the Fund.

Fidelity is one of the world's leading asset managers with a global network researching investment opportunities in the US, Europe, the Middle East, Africa and Asia Pacific. Fidelity manages over A\$430.1 billion<sup>1</sup> on behalf of both private and institutional investors.

Fidelity is an active asset manager with a fundamental research philosophy. Fidelity builds investment funds stock by stock through on-the-ground analysis of companies, their customers, suppliers and competitors. This intensive research process sets Fidelity apart from other fund managers and we believe gives Fidelity a significant competitive advantage when choosing companies for our equity portfolios.

For Australian investors, we offer a range of investment choices including Australian equities funds, global equities funds and a range of Asian-based equities funds.

## 2. How the Fidelity Asia Fund works

### How the Fund operates

When you invest your money in the Fund, your money is pooled together with other investors' money. We then invest the money in the Fund on your behalf. By investing this way, you gain access to investment buying power while giving us day-to-day control over the operation of the Fund. This buying power means you can take advantage of opportunities that may otherwise not be available to you.

### What is a unit and a unit price?

When you acquire an interest in the Fund, we will issue you 'units' in the Fund representing your investment but you do not have an interest in any particular asset of the Fund. Your return will reflect the performance of the investments made by the Fund, after expenses.

Application prices are generally higher than withdrawal prices due to the application of a 'buy-sell spread'. For additional information, refer to Section 6, 'Fees and other costs'.

The unit prices will generally change daily as the market value of the assets in the Fund rises or falls. Application and withdrawal prices for each business day are available on our website on the following business day.

Details relating to the Fund net asset value (NAV) are also available on our website.

### How do you invest?

You can invest in the Fund directly through the Managed Fund Settlement Service operated by the ASX (mFund) or indirectly through an Investor Directed Portfolio Service (IDPS) service.

Generally, if we receive your correctly completed application and application money before 1pm (Sydney time) on a business day, it will be processed using the unit price calculated for that day. Where we receive correct documentation after 1pm, we are taken to have received it the next day and it will be processed using the unit price determined for the following business day.

If your application is not correct, we will not process your application until the correct information is received.

### What if you are invested through an IDPS?

Indirect investors may be subject to different conditions from those referred to in this PDS, particularly with regard to cut-off times for transacting, processing and withdrawals. As well as reading this PDS, indirect investors should read their IDPS operator's offer document. (For additional information, refer to the section below titled 'Indirect Investors'.)

### What if you are invested through mFund?

If you invest through mFund, you can invest in the Fund using certain ASX brokers without completing our application form. Generally, to be processed using the unit price calculated for that day, the request must be received within the time frames specified in the ASX Settlement Operating Rules, which will ensure that application monies are received by us on that same day and on a Settlement Day.

### What is the minimum initial investment?

The minimum initial investment in the Fund is \$25,000. We may reduce this minimum initial investment at our discretion. Indirect investors should read their IDPS operator's offer document for minimum initial investment amounts.

### What will we invest your money in?

The Fund may invest in a variety of shares, derivatives and cash. The Fund invests primarily in securities of companies located in Asia, as well as those companies located elsewhere that derive a significant proportion of their earnings from Asia (Asian Securities). The Fund will comprise between 90% and 100% of Asian Securities with the remaining portfolio held in cash. Decisions to invest cash will be dependent upon the availability of other favourable investment opportunities.

We may make use of derivatives, such as futures contracts and swaps. A derivative is a security whose price or value is dependent upon or derived from an underlying instrument (such as shares, indices, interest rates, fixed income securities, commodities, currencies, etc.). A derivative contract is a contract between two or more parties and its value is determined by fluctuations in the underlying asset. Generally, derivatives will be used for cash flow management purposes within the Fund. Any derivative exposure must be fully covered by cash or assets sufficient to meet any obligation that could arise. If derivatives are used, they will comprise a small portion of the Fund's assets.

### Currency management

The Fund's exposure to international securities<sup>2</sup> will not be hedged back to Australian dollars. This means that the value of an investment in the Fund will change not only on the basis of a change in asset values, but also because of movements in exchange rates.

<sup>1</sup> As at 31 March 2019.

<sup>2</sup> Excludes Australian securities.

## Additional investments

You can add to your investment at any time via BPAY® or by completing the Additional Application Form or by placing an order through your IDPS operator (if you invest through an IDPS) or with your broker (where you invest through mFund). Please refer to section 8 on 'How to apply'.

For applications made by BPAY, we will not issue units until we receive the money from your nominated financial institution. This generally means there will be a delay between the day you initiate a BPAY transaction and the day the units are issued.

## How to withdraw

Generally, if we receive your correctly completed withdrawal application before 1pm (Sydney time) on a business day, it will be processed using the unit price calculated for that day. Where we receive correct documentation after 1pm, we are taken to have received it the next day and it will be processed using the unit price determined for the following business day.

You can withdraw all or part of your investment in the Fund at any time by completing a withdrawal form available on our website or by requesting a form from our Client Services team on 1800 044 922. Generally, partial withdrawals are subject to maintaining a minimum account balance of \$25,000 in the Fund.

Those unitholders invested through mFund will be able to make a withdrawal from the Fund through mFund by placing a sell order with certain ASX brokers. Generally, to be processed using the unit price calculated for that day, the request must be received within the time frames specified in the ASX Settlement Operating Rules. Withdrawal requests received after this time will be processed using the unit price determined for the following business day.

Generally, the proceeds of a withdrawal request will be paid within five business days of our acceptance of a withdrawal request but may take longer in some circumstances.

## Restrictions on withdrawals

There may be instances where your ability to withdraw from the Fund is restricted and you may be subject to a waiting period before your investment can be redeemed. For example, we may delay or suspend a withdrawal request where assets of the Fund are unable to be sufficiently realised due to circumstances beyond our control. In these instances, a unit price cannot be fairly determined (such as where there is restricted or suspended trading in the market or where the Fund becomes illiquid). (Under the Corporations Act, in general terms a fund is illiquid if it has less than 80% liquid assets; that is, cash and marketable securities.)

## Distributions

The Fund may pay distributions annually (June 30). In some situations, distributions may be paid at other times. Distributions are usually paid within 14 days after year end.

Your distribution is calculated by dividing the distributable income of the Fund by the number of units on issue at the end of the distribution period. This gives a distributable income amount per unit. Your distribution entitlement is then determined by multiplying the number of units you hold by the distributable income amount per unit.

The distributions you receive are generally assessable income. If you invest during a distribution period, you may get back some of your capital as income. In some circumstances, we may hold back some income until the final distribution at the end of June to allow for market volatility.

The Fund's use of derivatives may affect the realised gains and losses of the Fund. This may affect the Fund's ability to distribute income.

Unless you instruct otherwise, your distribution entitlement will be reinvested. Distributions are reinvested on the distribution date at an application price calculated by dividing the net asset value of the Fund (which excludes the distribution amount) by the number of units on issue. No buy spread will apply in this circumstance.

## Indirect investors

We authorise the use of this PDS as disclosure to people who wish to access the Fund indirectly through an IDPS, an IDPS-like scheme or a nominee or custody service (collectively known as master trusts or wrap accounts). In this circumstance, the IDPS operator becomes an investor in the Fund and acquires the rights of an investor and can exercise, or decline to exercise, these rights on your behalf.

As well as reading this PDS, indirect investors should read the IDPS operator's offer document, which explains the service and the fees payable by the indirect investor to the IDPS operator. Indirect investors should follow the instructions of the IDPS operator to apply to buy or sell units in the Fund.

If you invest in the Fund indirectly, you may be subject to different conditions from those referred to in this PDS, particularly with regard to cut-off times for transacting, the timing of distributions, processing and withdrawals as well as Fund reporting and other investor communication.

## 3. Benefits of investing in the Fidelity Asia Fund

### Key features

The Fidelity Asia Fund has features which include:

- Access to an actively managed portfolio of Asian Securities.
- An investment approach that places first-hand, detailed research at the core of decision making, ensuring that every security is investigated before being included in the Fund.
- The ability for the portfolio manager to call on the research of a dedicated team of analysts based throughout Asia, who have access to a global network of research analysts.

### Key benefits

Some of the benefits that may arise from an investment in the Fund include:

- Potential to earn higher returns than the Fund's benchmark, the MSCI AC Asia ex-Japan Index NR, over the suggested time frame.
- Access to the investment knowledge and expertise of Fidelity's global network of investment professionals who can assess Asian companies in a global context.

## 4. Risks of managed investment schemes

All investments carry risk. Different strategies may carry different levels of risk, depending on the assets that make up the strategy. The likely investment return and the risk of losing money are different for every investment. Assets with the highest long-term returns may also carry the highest level of short-term risk. When you make an investment, you are accepting the risks of that investment. It is important to understand these risks before deciding to invest.

The significant risks associated with this Fund are:

- **Specific security risk:** investments in shares in a company can fall in value for many reasons such as changes in internal operations or management of the company or changes in the business environment in which the company operates.
- **Market risk:** economic, technological, political, legal or environmental conditions, and even market sentiment, can alter the value of investment markets and the Fund's investments.
- **Emerging market risk:** investments in emerging markets can be more volatile than investments in developed markets. Emerging markets are classed as riskier due to greater political and economic uncertainties and generally less developed regulatory environments. This means they may be prone to greater reductions in value when investors become risk-averse.
- **Fund risk:** risks particular to the Fund include that it could be wound up, the fees and expenses could change, the responsible entity or FIMAL could be replaced or the investment professionals could change. There is a risk that investing in the Fund may give different results from investing individually because of income or capital gains accrued in the Fund and due to investments and withdrawals by other investors.
- **Liquidity and redemption risk:** this is the risk that an investment security may not be able to be bought or sold quickly enough to prevent or minimise a loss. A lack of liquidity may affect the amount of time it takes to satisfy withdrawal requests.
- **Currency risk:** changes in exchange rates between the Australian dollar and foreign currencies can have a positive or negative impact on investment value or returns. The Fund's exposure to international securities<sup>3</sup> will not be hedged back to Australian dollars and therefore an investment in the Fund is exposed to currency risk.
- **Derivative risk:** the value of a derivative is derived from the value of an underlying asset, resulting in the risk that the value of the derivative may fail to move in line with the underlying asset class. Other risks associated with using derivatives may include volatility in prices, illiquidity, the Fund failing to meet payment obligations as they arise, or the counterparty to the derivative contract failing to meet its obligations under the contract.
- **Legal, tax and regulatory risk:** the Fund may be adversely affected by future changes in applicable laws (or their interpretation), including tax laws, and may fail to qualify as a Managed Investment Trust for particular years, which may adversely impact the tax treatment of distributions for those years.
- **Counterparty risk:** the ASX may suspend or revoke the admission of the Fund on mFund. Risks may also arise in relation to transactions processed via mFund if ASX settlement procedures have not been accurately relayed or processed.

Fidelity actively manages risk within its investment portfolios. We believe Fidelity's intensive research approach that focuses on regular company contact and internal and external research of companies and the industries in which they operate helps Fidelity to be better informed about investment risks and make better investment decisions for the medium to long term.

We also employ a range of monitoring procedures with the aim of reducing overall portfolio risk and ensuring we always act in the best interests of our investors.

Risk can be managed but cannot be eliminated. It is important to understand the following:

- The value of your investment will vary.
- Past performance is not an indicator of future performance.
- The level of returns on your investment will vary and future returns may differ from past returns.
- Returns are not guaranteed, and you may lose money on any investment you make.
- Laws affecting your investment in a registered managed investment scheme may change in the future.

The level of risk for each person will vary depending on a range of factors, including your age, investment time frame and goals, how other parts of your wealth are invested and your overall risk tolerance. We recommend investors obtain appropriate professional advice with regard to their individual circumstances prior to investing in the Fund.

<sup>3</sup> Excludes Australian securities.

## 5. How we invest your money

Before choosing to invest in the Fund, you should consider the likely investment return, the risk and your investment time frame.

### Fidelity Asia Fund

<b>Fund description</b>	<p>The Fund generally invests in a diversified selection of Asian Securities.</p> <p>Fidelity believes that markets are semi-efficient and share prices don't always reflect inherent value. Through in-house, bottom-up company research, Fidelity aims to uncover the opportunities that it believes offer the greatest scope for outperformance.</p> <p>Based on this research approach, Fidelity seeks out stocks that it believes are undervalued and likely to generate growth. The companies selected for the portfolio must demonstrate good management, strong competitive advantages and enjoy favourable industry dynamics.</p> <p>The Fund's exposure to international securities<sup>4</sup> will not be hedged back to Australian dollars. This means that the value of an investment in the Fund will change not only on the basis of a change in asset values, but also because of movements in exchange rates.</p>
<b>Investment return objective</b>	To achieve returns in excess of the MSCI AC Asia ex-Japan Index NR over the suggested minimum investment time period of five to seven years.
<b>The Fund is suitable for</b>	Investors looking for an Asian equities investment who have a tolerance for a very high amount of risk.
<b>Minimum suggested time frame</b>	5 to 7 years
<b>Asset classes and ranges</b>	Asian Securities: 90% to 100% Cash: 0% to 10%
<b>Benchmark</b>	MSCI AC Asia ex-Japan Index NR
<b>Risk level</b>	Very high The potential for loss and unit price variability over the short term is very high. Refer to Section 4 'Risks of managed investment schemes'.
<b>Fund performance</b>	<p>For up-to-date information on the performance of the Fund, visit <a href="http://www.fidelity.com.au">www.fidelity.com.au</a> and click on Fidelity Asia Fund under the 'Funds' menu.</p> <p><b>Past performance is not a reliable indicator of future performance.</b></p>
<b>Labour standards, environmental, social and ethical considerations</b>	Our investment process takes into account environmental and social considerations, but not labour standards or ethical considerations, in the selection, retention and realisation of investments when, in Fidelity's view, these issues have a material impact on either investment risk or return.
<b>Changes to Fund details</b>	We may change or update the Fund's investment return objective, asset classes and ranges or strategy at any time. We will inform investors of any material changes to the Fund's details in the next regular communication or as required by law.

#### **i** To find out more

You should read the important information about 'How we invest your money' and 'Labour standards, environmental, social and ethical considerations' before making a decision. Go to Section 1 of the 'Additional Information' document at [www.fidelity.com.au/funds/fidelity-asia-fund/](http://www.fidelity.com.au/funds/fidelity-asia-fund/). This material relating to the investment of your money may change between the time you read this PDS and the day when you acquire the product.

<sup>4</sup> Excludes Australian securities.

## 6. Fees and other costs

This section provides a summary of the fees and costs you may be charged. These fees and costs may be deducted from your investment, from the returns on your investment or from the Fund assets as a whole.

You should read all the information about fees and other costs because they affect your investment. You can also use this information to compare costs with those of other investment funds.

**Table 1**

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

Type of fee or cost	Amount
<b>Fees when your money moves in or out of the Fund</b>	
<b>Establishment fee</b>	Nil
<b>Contribution fee</b>	Nil
<b>Withdrawal fee</b>	Nil
<b>Exit fee</b>	Nil
<b>Management costs*</b>	
The fees and costs for managing your investment	
<b>Management fee</b>	1.15% p.a. <sup>5</sup> of the net asset value of the Fund (including GST net of Reduced Input Tax Credit).
<b>Indirect costs</b>	Estimated indirect costs of 0.00% p.a. of the NAV of the Fund.

\*See Table 2 for an example of the calculation, and components of the management costs.

### Example of annual fees and costs for the Fund

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

**Table 2**

#### Example – balance of \$50,000 with a contribution of \$5,000 during the year

<b>Contribution fees</b>	Nil	For every additional \$5,000 you invest, you will not be charged a fee.
<b>Plus management costs</b>	1.15% p.a.	For every \$50,000 you have in the Fund, you will be charged \$575 each year.
<b>Equals cost of fund</b>	If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during the year, you would be charged fees of between \$575 and \$633. <sup>6</sup>	
	<b>What it costs you will depend on the investment option you choose and the fees you negotiate with your fund, your financial adviser or your IDPS operator.</b>	

**Important** – Fees may be payable to your broker for accessing the Fund through mFund and, if applicable, to your broker or adviser. (Refer to the Financial Services Guide provided by your broker or adviser.) These fees are in addition to those above.

<sup>5</sup> What it costs you will depend on the fees you negotiate with us, your financial adviser or your IDPS operator.

<sup>6</sup> The additional management costs will be on a pro-rata basis and will vary depending on whether or not you are invested for the whole year or part of the year. Please note that this is just an example and that the actual investment balance of your holding will vary daily.

## Additional explanation of fees and costs

### Management costs

The management costs incorporate all relevant ongoing fees and other costs involved in managing the Fund and deriving investment returns. They include, but are not limited to, costs associated with investment management, custody and investment administration, fees for legal and tax services and the embedded costs within derivatives we may use to gain exposure to Fund investments.

Management costs also comprise: (i) FREAL's management fee; and (ii) an indirect cost component (if applicable), which are the additional fees or costs you incur by investing in the Fund. Indirect costs are generally payable from the Fund's assets, rather than directly by you. Management costs do not include transactional and operational costs that are explained next.

### Management fee

The management fee is charged by FREAL for managing the Fund and making it available to investors. It is calculated and accrued daily as a percentage of the Fund's NAV and reflected in the daily NAV per unit. The amount is deducted from the Fund's assets monthly on or after the first day of the following month.

### Indirect costs

Indirect costs include any amount, not already disclosed as a fee or cost, we know or where required, reasonably estimate, will reduce (directly or indirectly) the performance return of the Fund (other than management fee and transactional and operational costs). These indirect costs are reflected in the unit price of your investment in the Fund and include any underlying (indirect) management costs, underlying (indirect) performance-related fees and other indirect 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 or not 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.

### **i** To find out more

You should read the important information about 'Fees and costs' before making a decision. Go to Section 2 of the 'Additional Information' document at [www.fidelity.com.au/funds/fidelity-asia-fund/](http://www.fidelity.com.au/funds/fidelity-asia-fund/).

This material relating to fees and costs may change between the time you read this PDS and the day when you acquire the product.

The indirect costs may vary from year to year, including to the extent that they rely on estimates.

### Transactional and operational costs

Transactional and operational costs are a broad category of costs incurred by the Fund that relate to managing the assets of the Fund including buying and selling Fund investments. Some of these costs are explicit amounts charged by third parties such as brokerage, settlement costs, custody settlement charges and clearing costs. Others are implicit costs; for instance, buy-sell spreads incurred by the fund to convert one currency to another.

Transactional and operational costs are paid out of the assets of the Fund and are not paid to FREAL.

### Derivatives

The Fund may invest in derivative financial products not traded on a financial market. These types of derivatives are known as OTC, or over-the-counter, derivatives and are private contracts that are traded directly between two parties. Examples include currency forward contracts used to hedge currency and interest rate swaps used to hedge interest rate exposures. The notional fees and costs of OTC derivatives are treated as transactional costs for the purposes of this PDS.

### Bid-ask spreads

A spread is the difference between the price a buyer is willing to pay (known as the bid price) and the price a seller is willing to accept (the ask price) for a particular investment.

The Fund may incur bid-ask spreads in relation to:

- Foreign currency conversions; and
- OTC derivatives transactions.

The total transactional costs incurred by the Fund in the last 12-month period ended 31 December 2018, expressed as a percentage of the Fund's average net asset value for that year, was 0.47%.

### Buy-sell spread

Sometimes, transactional costs are incurred by the Fund because investors buy or sell units in the Fund and so the Fund may buy and sell investments to meet those investor transactions. We increase the cost at which we sell units in the Fund and decrease the amount that we pay on a withdrawal to recover these costs from investors. The amount of the increase or decrease of the cost of units is called a 'buy-sell spread'.

The purpose of applying a buy-sell spread is to ensure that the existing investors in the Fund are not affected by the transactional costs associated with other investors buying or selling units in the Fund.

The buy-sell spread is an additional cost to you when you buy or sell units in the Fund. The amount of the buy-sell spread is based on our estimates of the average transactional and operational costs incurred by the Fund. However, the buy-sell spread is not a fee paid to us and it is retained in the Fund to cover the actual transactional and operational costs as they are incurred.

As at the date of this PDS, the buy spread and the sell spread for applications and withdrawals are 0.40% of the value of the application or withdrawal amount. These spreads may change from time to time without notice, depending on the nature of the costs and the volume and types of assets being purchased or sold.

Of the total transactional costs incurred by the Fund in the last 12-month period ended 31 December 2018 of 0.47%, expressed as a percentage of the net asset value of the Fund assets, 0.42% was recouped through the application of a buy-sell spread to investors who were buying and selling units in the Fund and 0.05% reduced the returns to the Fund.

Please refer to Appendix 1 of the 'Additional Information' document at [www.fidelity.com.au/funds/fidelity-asia-fund/](http://www.fidelity.com.au/funds/fidelity-asia-fund/) for an illustration of the estimated total transactional and operational costs of the Fund and the corresponding estimated dollar value of such costs over a year, based on an average account balance of \$50,000.

The information included here on transactional and operational costs is based on information available and (if applicable) estimates as at the date of issue of the PDS. Investors should refer to [www.fidelity.com.au](http://www.fidelity.com.au) from time to time for any updates that are not materially adverse.

### Additional information on fees and costs

Additional fees and costs such as contribution and withdrawal fees may be payable.

We may change the amount of fees and costs without your consent. Should there be a decision to increase fees and costs, you will be given 30 days' prior notice.

Indirect investors accessing the Fund through an IDPS may incur additional fees and costs. As well as reading this PDS, indirect investors should read their IDPS operator's offer document, which explains the fees payable by the indirect investor to the IDPS operator.

**If you consult a financial adviser, additional fees may be payable. You should refer to the Statement of Advice in which details of these fees (if any) are set out.**

## 7. How managed investment schemes are taxed in Australia

**Investing in a managed investment scheme is likely to have tax consequences. You are strongly advised to seek professional tax advice.**

Specifically, managed investment schemes do not pay tax on behalf of investors in the scheme, and investors are assessed for tax on any income and capital gains generated by the scheme.

Investors in the Fund will be assessed on distribution income generated by the Fund. The distribution may include franked dividends, foreign income, capital gains, other gains and interest income.

If you invest directly in the Fund, or through mFund, we will provide you with a Tax Statement following the end of each financial year to enable you to complete your tax return.

If you invest through an IDPS, the IDPS operator will provide you with the relevant tax information.

### To find out more

You should read the important information about 'How managed investment schemes are taxed' before making a decision. Go to Section 3 of the 'Additional Information' document at [www.fidelity.com.au/funds/fidelity-asia-fund/](http://www.fidelity.com.au/funds/fidelity-asia-fund/).

This material relating to the taxation of managed investment schemes may change between the time you read this PDS and the day when you acquire the product.

## 8. How to apply

You should follow these steps to invest in the Fund:

1. Before completing the Application Form, you should read the entire PDS to ensure the Fund meets your needs.
2. To invest, complete the Application Form online or download from the Fidelity website at [www.fidelity.com.au](http://www.fidelity.com.au).
3. You can invest with a cheque made payable to 'Fidelity Application Account' or via electronic funds transfer with your investor name in the payment reference or via BPAY if applying via the online application form. Payment details are outlined in the Application Form.
4. You should mail your completed forms to:

Fidelity Unit Registry  
PO Box 3721  
Rhodes NSW 2138

5. Your Application Form and application money must be received by 1pm (Sydney time) in order to receive the unit price for that business day. Indirect investors may be subject to different cut-off times and should refer to their IDPS operator's offer document.
6. We will notify you when your application has been processed.
7. If the application cannot be processed because it is incomplete or invalid, the relevant application money will be placed into a trust account. Any interest earned in the trust account will be paid into the Fund.

## mFund

If the Fund has been admitted to mFund, the Managed Fund Settlement Service operated by the ASX, you can invest in the Fund using certain brokers. Your broker will process a buy order for units through CHESS. Your broker will confirm the order once received and accepted by us. Applications for units received and accepted by us will be forwarded to your broker for your payment. You will need to provide your application money to your broker.

We will price and allot new units in the Fund to your CHESS Holder Identification Number (HIN). We will also notify your broker of the unit price and units allotted.

## Additional investments

Make an additional investment by using BPAY or, alternatively, completing the Additional Application form.

## Cooling-off period

If you are a 'retail client' (as defined under the Corporations Act) investing directly in the Fund, you have a 14-day cooling-off period to ensure the investment meets your needs. The cooling-off period starts from the earlier of:

- The day we give you a transaction confirmation; or
- Five business days after you acquire the product.

If you exercise your cooling-off rights, we will return your money to you; however, the amount we return may be different from your original investment. The amount may be higher or lower to reflect market movements and this may have tax implications for you. The amount returned will also be affected by the deduction of reasonable administration costs incurred by us or any other amount that may be deducted by us under the Corporations Act. Your cooling-off rights terminate immediately if:

- You exercise any of your rights or powers as an investor in the Fund; or
- An event occurs and your rights or powers as an investor cease to exist.

For any subsequent investments made under a distribution reinvestment plan, this cooling-off right does not apply.

Investors investing through an IDPS will have no cooling-off rights in respect of an investment in the Fund. Indirect investors should contact their IDPS operator and read their IDPS operator's offer document information, which will detail if any cooling-off rights apply.

## Dealing with complaints

We have established procedures for dealing with complaints. If you have any concerns or complaints, please contact our Client Services team on 1800 044 922. We will endeavour to respond and resolve the complaint within 45 days. If you are not satisfied with the outcome, you can contact the Australian Financial Complaints Authority (AFCA) by calling 1800 931 678, by emailing [info@afca.org.au](mailto:info@afca.org.au) or by writing to AFCA at GPO Box 3, Melbourne VIC 3001.

## Custodian, administrator and registrar

JPMorgan Chase Bank, N.A. (Sydney Branch) ABN 43 074 112 011, AFSL 238367 (JPMorgan) has been appointed by the responsible entity as custodian and administrator for the Fund. Link Market Services Limited ABN 54 083 214 537 (Link) has been appointed registrar of the Fund.

Neither JPMorgan nor Link have been involved in the preparation of this PDS or caused or otherwise authorised the issue of this PDS. Neither JPMorgan nor Link have independently verified the information contained in this PDS and, accordingly, accept no responsibility for the accuracy or completeness of the information. Neither JPMorgan nor Link guarantee the success or the performance of the Fund nor the repayment of capital or any particular rate of capital or income return. JP Morgan as custodian does not supervise the acts of the responsible entity.

## 9. Other information

### Keeping you informed

We will keep you up to date regarding your investment. For example, you will receive:

- A periodic statement detailing the transactions (including distributions) during the period and the balance of your investment.
- A distribution statement (if and when distributions are paid).
- An annual tax statement containing a summary of your distributions for the financial year to assist you in completing your tax return.
- The Annual Financial Report for the Fund. (You may elect not to receive these if you wish.)

Email is our preferred means of sending you information; however, we will send you information by post if you prefer this method of delivery.

If you elect to receive information by email, you will be required to register for access to the Fidelity secure website to view your statements. You may also visit our website, [www.fidelity.com.au](http://www.fidelity.com.au), for up-to-date information on the Fund.

If you have invested through an IDPS, your IDPS operator will provide you with reports on the progress of the Fund.

### Continuous disclosure

As a disclosing entity, the Fund is subject to certain reporting and disclosure obligations under the Corporations Act. We will meet our continuous disclosure obligations by publishing material information on our website at [www.fidelity.com.au](http://www.fidelity.com.au) in accordance with the requirements of ASIC policy. Copies of the documents lodged with ASIC in relation to the Fund may be obtained from, or inspected at, an ASIC office.

You have a right to obtain a copy of the following documents from us at no charge to you:

- The latest Annual Financial Report lodged with the Australian Securities and Investment Commission (ASIC).
- Any half-yearly report for the Fund lodged with ASIC after the lodgement of the Annual Financial Report (and before the date of this PDS).
- Any continuous disclosure notices given by the Fund after lodgement of the Annual Financial Report (and before the date of this PDS).

### Terms used in this PDS

'ASIC' means the Australian Securities and Investment Commission, Australia's corporate, markets and financial services regulator.

'ASX' means the Australian Securities Exchange.

'Constitution' means the Fund's constitution as amended from time to time. The Constitution is a legally enforceable document that details the rights and obligations of investors and the responsible entity.

'Corporations Act' means the Corporations Act 2001 (Cth).

