



AMP Capital Corporate Bond Fund

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Issued by AMP Capital Investors Limited
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Product Disclosure Statement

For investments through a master trust or wrap platform

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About this Product Disclosure Statement (PDS)

This PDS contains important information about investing in the AMP Capital Corporate Bond Fund (the Fund) and may be used by master trusts or platform operators, referred to in this PDS as 'platform operators', to:

- apply for units in the Fund, and
- give to their customers (indirect investors) to provide them with Fund information they may use in making a decision about instructing the platform operator to invest in the Fund on their behalf and to compare to other funds they may be considering.*

It is important that all investors read this PDS and obtain appropriate financial advice before investing in the Fund.

*See 'Our legal relationship with you' on page 21 for information about how the rights of direct investors such as platform operators, differ from the rights of indirect investors.

AMP Capital Corporate Bond Fund

ARSN 087 391 311

APIR code AMP0557AU

Unit class On-platform Class A

Important information

AMP Capital Investors Limited, referred to in this Product Disclosure Statement (PDS) as 'AMP Capital', 'we' or 'us', is the responsible entity of the AMP Capital Corporate Bond Fund (the Fund) and issuer of this PDS. No other company in the AMP Group is responsible for any statements or representations made in this PDS.

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

The Fund is subject to investment risks, which could include delays in repayment, and loss of income and capital invested. No company in the AMP Group or any investment manager assumes any liability to investors in connection with investment in the Fund or guarantees the performance of our obligations to investors, the performance of the Fund or any particular rate of return. The repayment of capital is not guaranteed. Investments in the Fund are not deposits or liabilities of any company in the AMP Group or of any investment manager.

Where the Fund has more than 100 unitholders it is subject to regular reporting and disclosure obligations under the Corporations Act. Copies of documents lodged with the Australian Securities and Investments Commission (ASIC) in relation to the Fund may be obtained from, or inspected at, an ASIC office or can be obtained by contacting us on 1800 658 404. These documents may include:

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

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

The offer in this PDS is available only to eligible persons as set out in this PDS, who receive the PDS (including electronically) within Australia. We can only accept applications signed and delivered from within Australia. We cannot accept cash.

This offer is subject to the terms and conditions described in this PDS. We reserve the right to change these terms and conditions (see 'Changes to the information in this PDS' on page 18) and to refuse or reject an application.

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

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

About AMP Capital Investors

AMP Capital Investors is a specialist investment manager with \$98 billion in funds under management*.

As a wholly owned subsidiary of AMP Limited, we operate with a pure investment focus, while benefiting from the resources of our parent. With over 250 in-house investment professionals* and a carefully selected global network of investment partners, we offer significant depth and breadth of investment expertise.

Increasingly, delivering superior returns to our clients involves looking beyond traditional techniques, to a new generation of investment portfolios. This involves the blending of any number of inputs such as securities, asset classes, geographic regions, styles and even managers to seek to obtain the optimal risk and return outcomes. To do this well requires real depth of in-house investment expertise, a business philosophy open to partnering, and specialist capabilities designed to integrate and maximise the two.

At AMP Capital we have specialist investment teams across a diverse range of disciplines. Each team focuses on searching out and creating the best investment outcomes for our clients. We also collaborate with like-minded investment specialists around the world, leveraging our joint expertise to create new investment opportunities.

Our investment approach is characterised by three distinctive capabilities:

- **Great investment research** Our specialist investment teams interact, sharing knowledge and insights to gain multiple perspectives. This diversity of thought allows us to see things differently and discover new ways to capitalise on the inefficiencies in the market. Most importantly, we make use of our research findings to add value to our clients' portfolios.
- **Deal sourcing** Our scale, brand and relationships give us a competitive edge in deal sourcing and origination. Strong networks and industry contacts, combined with our reputation and experience, provide access to scarce assets. This opens up new and different investment opportunities for our clients.
- **Portfolio construction and packaging** The new generation of investment portfolios demand increasingly complex portfolio construction decisions. With this in mind, we have developed proprietary skills and processes that allow us to select and blend a wide range of investment inputs, from individual securities to the right investment partner. We use these skills to meet the diverse risk return objectives of our clients.

Underpinning these capabilities are our people. We seek to attract the best people, invest in their ongoing professional development, and ensure their interests are clearly aligned with those of our clients.

The combination of our scale, breadth and capability provides access to superior investment opportunity. Reliably, consistently, repeatedly.

* As at 31 December 2010

About the AMP Capital Corporate Bond Fund

Overview

The AMP Capital Corporate Bond Fund aims to provide investors with regular monthly distributions through investment in an actively managed portfolio of credit securities such as corporate bonds. The Fund focuses on investment grade rated corporate bonds in the Australian market. The Fund also has exposure to global bond markets.

Within these markets, the Fund primarily seeks credit securities from companies with strong management, and balance sheets that display characteristics such as sufficient liquidity and low levels of gearing.

Diversification is achieved mainly through investment in securities across a range of industries such as financials, utilities and telecommunication providers, with the number of securities held at any one time (typically above 100) further adding to the diversified nature of the Fund's portfolio.

Further information about the securities in which the Fund may invest is provided on page 6.

Research driven process

In assessing securities for inclusion in the Fund's portfolio, we implement a research driven process which has a global focus. The process combines top down and bottom up analysis with specialist credit portfolio risk management across investment grade and non-investment grade markets.

Top down analysis allows us to identify short and long term global economic themes which influence global credit markets. This information is used to set an overall credit framework for the Fund's portfolio.

Bottom up analysis and research across a large number of global credit securities is used to determine the likelihood that a company will outperform or underperform the industry. Particular importance is given to the outlook on the company's cash flows, market position, operating efficiency, strategic direction and capital structure.

'Our investment approach' on page 5 provides further information about the top down and bottom up analysis used in the Fund's portfolio construction and risk management.

At a glance

Investment objective	To provide total returns (primarily income with some capital growth) after costs and before tax, above the Fund's performance benchmark on a rolling 3 year basis.	
Performance benchmark	UBS Credit Index 0+	
Suggested minimum investment timeframe	3 years	
Who can invest?	<ul style="list-style-type: none"> Platform operators, investing directly into the Fund Indirect investors, investing in the Fund through a master trust or wrap platform 	
Minimum investment amounts	Platform operators Initial – \$500,000 Additional – \$5,000	Indirect investors Minimum investment amounts, fees and costs are subject to the arrangements between indirect investors and their platform operators.
Management costs	Platform operators Management fee – 0.6% pa	See the 'Fees and other costs' section of this PDS for other fees and costs that may apply and a worked example of management costs that may be payable in a year. The total amount of fees you will pay will vary depending on the total value of your investment.
Distribution frequency	The Fund aims to pay distributions monthly (see 'Distributions' on page 8).	

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

Benefits of investing in the Fund

For investors seeking a diversified bond portfolio, the Fund provides:

- access to an actively managed portfolio of credit securities, with a focus on investment grade rated corporate bonds in the Australian market, and with exposure to global bond markets
- diversification across industries and issuers
- the potential for regular monthly distributions
- the potential for total returns (primarily income with some capital growth) above government bonds
- access to AMP Capital's major presence in the Australian fixed income market of over 30 years, and a team with a depth of experience managing corporate bonds, and
- access to AMP Capital's extensive fixed income, economic strategy and equity capabilities.

Investment risks

All investing involves risk, and you should consider investment risks before making an investment decision.

The key risks of investing in the Fund include or are associated with:

- credit, including the risk that a credit issuer or counterparty defaults on interest payments, the repayment of capital or both, and
- interest rates, including the risk of capital loss in a rising interest rate environment.

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

- international investments
- derivatives
- hedging
- gearing
- share market investments
- listed hybrid securities, and
- liquidity.

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

Further information

If you have questions about investing in the AMP Capital Corporate Bond Fund or require further information, please contact our Client Services team on 1800 658 404 between 8.30am and 5.30pm Sydney time, Monday to Friday.

Further information about the Fund is also available online at www.ampcapital.com.au. This information includes performance reports. When reading Fund performance information, please note that past performance is not a reliable indicator of future performance and should not be relied on when making a decision about investing in the Fund.

Our investment approach

Research driven process

Our research driven process has a global focus and combines top down and bottom up analysis with specialist credit portfolio risk management across investment grade and non-investment grade rated securities (see 'Security ratings' on page 6).

Top down analysis

Top down analysis involves:

- identifying economic themes occurring globally across a range of Australian and global industries
- undertaking a fundamental medium term valuation on the general direction of global credit markets, and
- assessing shorter term transitory influences such as overall corporate earnings outlooks and central bank actions.

Information obtained from this analysis is used to set an overall credit framework for the Fund's portfolio, including determining credit allocation and appropriate industry weightings.

Collaboration with other AMP Capital teams (such as investment strategy and economics, global equities, property and infrastructure) allows us to gauge a range of views on the outlook for global credit markets, from economic and equity perspectives, and for particular issuers and industries.

Based on our view of how a specific industry will perform over the next 12 months, we allocate an outlook for each industry, focusing on factors such as barriers to entry, economies of scale and the buying power of customers and suppliers.

Screening tools and filters, including proprietary quantitative screens and market filters, are used to develop a view on relative values across the different industries.

Bottom up analysis

Bottom up analysis, where we look at individual securities to determine the likelihood that a company will outperform or underperform the industry, involves:

- assessment of the issuer's credit risk, and
- evaluation of individual securities.

In assessing the issuer's credit risk and assigning our own credit rating to the security, we undertake a business and financial risk analysis. Business risk analysis addresses factors such as a company's

competitive position and operating efficiency, while financial risk analysis addresses factors such as cash flow and profitability. Our analysis also places particular importance on the company's market position, strategic direction and capital structure.

The evaluation of individual securities involves comparing the merits of a security with other securities issued by that company or its domestic and global peers or between industries. In making these comparisons we take into account factors such as volatility and liquidity, and where the security stands in terms of relative value to its peers.

Credit portfolio risk management

Diversification is used in the portfolio construction process as a key attribute in minimising risk, particularly when investing in lower rated securities. Also, in circumstances such as when markets are less tradeable, we use credit derivatives to increase and decrease our effective credit exposure.

Responsibility for the overall risk management framework lies with AMP Capital's Head of Fixed Income, while our risk management system provides various types of risk analysis including pre-trade compliance checking and exposure reports.

Our investment team

AMP Capital has a major presence in the Australian fixed income market, with over 30 years of fixed income experience, including being one of the early investors in the Australian corporate bond market.

Our fixed income expertise is demonstrated in our track record of being a cornerstone investor in newly issued investment grade rated bonds, and in our Fixed Income team's reputation and experience across a broad range of financial markets.

Our Fixed Income team is made up of investment specialists with experience in banking, funds management, ratings agencies and research. The team's management of Australian and global credit investments incorporates a specialist approach across industries and sectors, and the active management of credit risk.

The team's reputation and fixed income capabilities are supported by the broader resources of AMP Capital's extensive economic strategy and equity capabilities.

Information about the team can be obtained online at www.ampcapital.com.au or by contacting us.

Fund profile

The Fund's investments

The Fund is actively managed, investing primarily in investment grade rated corporate bonds in the Australian market. The Fund also has exposure to global bond markets.

The Fund may also invest in:

- asset backed securities and derivatives, preference shares, convertible bonds, hybrid securities and loans in the Australian market (see 'Types of securities' in this section)
- global credit securities, and derivatives in global credit markets, which may also include a small exposure to emerging markets
- non-investment grade rated securities up to a maximum of 15% of the Fund's investments
- cash and cash-like securities such as bank bills
- government, semi-government, government guaranteed or similar securities, and
- other financial products, such as securities and managed funds offered by us or our associates.

The Fund has a maximum allocation of 10% of the Fund to any one issuer, excluding government, semi-government or government guarantee issuers.

Security ratings

Investment grade securities are those with a Standard & Poor's credit rating of BBB- or equivalent, or above. Ratings are based on the rating provider having assessed that the securities have adequate financial protection to be able to meet their obligations.

Non-investment grade rated securities are those with a Standard & Poor's credit rating of BB+ or equivalent, or less.

As part of our process we also assign our own credit rating to each security. If a security has not been rated by an external rating agency, it is submitted to our Credit Investment Committee for approval to include in the Fund's portfolio. The committee is made up of department heads and senior investment professionals from across AMP Capital.

Types of securities

- **Preference shares** Shares that have a higher claim on the assets and earnings of a company than other shares in the same company.
- **Convertible bonds** Bonds that can be converted into a predetermined amount of the company's shares at certain times.
- **Asset backed securities** Securities backed by loans, leases or receivables against assets as well as real estate and mortgage backed securities.
- **Derivatives** Financial instruments (such as options, futures, swaps or credit derivatives) that derive their value from an underlying asset.
- **Hybrid securities** Securities that combine two or more different financial instruments, for example convertible bonds, which have the features of ordinary bonds, but are influenced by the price movements of the equity into which they can be converted.

Access to global credit securities

The Fund can access global credit securities in four ways:

- directly, where the Fund buys a bond in an offshore market and from an offshore issuer*
- indirectly, where the Fund buys a bond in the Australian market from an offshore company
- through Australian companies, where a large portion of the company's revenue is earned offshore, and
- through Australian companies issuing bonds in offshore markets.

* The amount of exposure to direct global credit securities can change significantly, depending on market opportunities. As at 31 December 2010, exposure to these securities was 11.44%. Current exposure can be obtained online at www.ampcapital.com.au or by contacting us.

Interest rate management

Duration is the measure of the change in a security's value relative to a change in interest rates. Bonds with higher duration carry more risk and have higher price volatility than bonds with lower duration.

The Fund is able to increase or decrease the duration, depending on whether interest rates are rising or falling, and this may assist in managing risk.

The duration of the total assets of the Fund is within 18 months of the duration of the Fund's performance benchmark.

Derivatives

The Fund may use derivatives with the aims of:

- protecting against risks such as unfavourable changes in an investment's price brought about by, for example, changes in interest rates, credit risk, equity prices, currencies or other factors
- enhancing returns by taking advantage of favourable mispricings within a market, as a cost-effective alternative to purchasing physical assets, and
- implementing the Fund's investment objectives.

The Fund may 'short' derivatives, that is, it may hold credit default swaps where the underlying asset or assets are not held by the Fund. It may also hold other types of derivatives where the underlying asset or assets are not held by the Fund.

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

Hedging

Exposure to global credit securities will principally be hedged back to Australian dollars.

The Fund uses an active hedging strategy to minimise the effects of market interest rates and currency fluctuations on capital within the Fund.

Borrowing

The Fund is not restricted in the amount that it can borrow, and may borrow to meet its short term liquidity needs.

Gearing

It is not our intention to gear the Fund through the use of borrowing or derivatives. However, underlying funds and securities in which the Fund invests may be geared through the use of derivatives or borrowing. The Fund will be managed such that the risks characteristics of the Fund are consistent with the investment objectives of the Fund.

Asset valuation policy

The Fund's assets are generally valued at least each business day using market prices in accordance with the AMP Capital Asset Valuation Policy.

Currently, a small percentage of the Fund is invested in illiquid assets. Illiquid assets held by the Fund are valued either based on fair value, where the current tradeable price is not readily available, or, where the assets are accessed through an underlying fund, based on the most recent unit price of that underlying fund.

Where the assets are valued based on fair value, the valuer selects the valuation methodology that is the most appropriate for a particular investment and one that represents a fair and equitable outcome for all investors. The determination of fair value is intended to provide, on a best efforts basis, the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction. This may include the average of actual midprice quotes from recognised price providers, or a valuation based on the sum of the parts on refinancing.

Where the assets are accessed through an underlying fund and valued using the most recent unit price of that underlying fund to determine the market value of the investment, the valuation of the underlying assets is based on the valuation methodology of that fund. Some of these underlying funds currently value their assets at par or acquisition value plus any accrued interest up to the valuation date.

Repurchase agreements

The Fund may enter into repurchase agreements, in which the Fund sells bonds and agrees to purchase them back at a later date. This repurchase liability may be material in relation to the overall size of the Fund. The Fund generates net income through the running of the repurchase program.

Ethical policy

The Fund does not take into account labour standards or environmental, social or ethical considerations when selecting, retaining or realising investments. Decisions about whether to buy, hold or sell investments are based primarily on economic factors, with labour standards and environmental, social and ethical considerations taken into account only where they may be seen to have a material impact on the value of an investment.

Distributions

The Fund aims to pay distributions monthly.

You should be aware that although the Fund's objective is to pay distributions monthly, the amount of each distribution may vary or no distribution may be payable in a month.

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

Distributions paid are based on the income earned by the Fund and the number of units you hold at the end of the distribution period. For example, if you held 500,000 units in the Fund, and the Fund paid a distribution of \$0.02 per unit for a month, you would receive \$10,000 (that is, 500,000 units x \$0.02 per unit). Please note that the distribution rate will vary for each distribution.

Payment of distributions

Platform operators

You can choose to have distributions:

- paid directly into your current nominated account, or
- reinvested in the Fund

by indicating your selection on your application form. If no selection is made, distributions will be reinvested.

Indirect investors

Payment of distributions is subject to the arrangement between you and the platform operator. Your financial adviser or platform operator can provide you with information about:

- how often distributions are paid, and
- the distribution payment method (eg paid directly into a nominated bank account or reinvested in the Fund).

Reinvestment

The issue price for reinvested distributions is determined by the net asset value (adjusted by any distribution payable) and the number of units on issue in the unit class as at the last day of the distribution period. No buy spread is applied to reinvested distributions.

Risks of investing

All investing involves risk

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

Whilst the Fund is managed with the aim of providing competitive investment returns against the Fund's performance benchmark and protecting against risk, you should be aware that the Fund is subject to investment risks, which could include delays in repayment, the non-payment of distributions and loss of capital invested.

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

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

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

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

Risks specific to the Fund

Credit

- The value of assets within the Fund can change due to changes in the credit quality of the individual issuer and also from changes in values of other similar securities. This can affect the volatility of the Fund and its income.
- Fixed income securities are subject to default risk, which means that the credit issuer may default on interest payments, the repayment of capital or both. Fixed income investments with a non-investment grade credit rating (that is, Standard & Poor's BB+ rating or equivalent, or less) are subject to increased risks compared with investment grade securities, in that the credit issuer may be more likely to default on interest payments, the repayment of capital or both.

Interest rates

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

International investments

- Currency exchange rates – Where the Fund's investments are located overseas, the relative strength or weakness of the Australian dollar against other currencies may influence the value of, or income from, an investment. Whilst the Fund's international investments are hedged back to Australian dollars, the Fund could still incur losses related to hedging or currency exchange rates. In certain circumstances, the use of hedging may affect the amount of any distribution payable.
- Less protection under laws outside of Australia – The laws under which assets located outside of Australia operate may not provide equivalent protection to that of Australian laws.
- Emerging markets – Securities markets in emerging markets are smaller and have been more volatile than the major securities markets in more developed countries. Clearance and settlement procedures may be less developed, which could lead to delays in settling trades and registering transfers of securities.

Derivatives

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

These risks include the risks that:

- the value of a derivative may not move in line with the value of the underlying asset
- a derivative position cannot be reversed
- losses may be magnified
- the party on the other side of a derivative contract may default on payments, and
- where the Fund does not hold the underlying asset or assets the risk of loss through the use of derivatives is increased.

Gearing

Gearing has the effect of magnifying the Fund's returns, both positive and negative, which means that the risk of loss of capital may be greater than if gearing did not take place. Additionally, increases in interest rates may affect the cost of the Fund's borrowings and so reduce the Fund's returns.

Share market investments

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

Listed hybrid securities

As listed hybrid securities are a combination of debt and equity, they have the risk characteristics of fixed income and share market investments, and derivatives. This means that the specific risks associated with listed hybrid securities are as described under 'Interest rates', 'Derivatives' and 'Share market investments' in this section. In addition, there is the risk that they may not be able to be exchanged readily for cash or an equivalent asset value.

Liquidity

Liquidity refers to the ease with which an asset can be traded (bought and sold) in the marketplace at its current value. An asset subject to liquidity risk may be more difficult to trade and it may take longer for the full value to be realised.

Other risks

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

Making an investment decision

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

- **Obtain professional advice** to determine if the Fund suits your investment objectives, financial situation and particular needs.
- **Read a current AMP Capital Corporate Bond Fund PDS.**
- **Consider the minimum investment timeframe** for the Fund.
- **Regularly review** your investments in light of your investment objectives, financial situation and particular needs.

Fees and other costs

DID YOU KNOW?

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

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

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

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

TO FIND OUT MORE

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

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

Taxes are set out on page 16 of this PDS.

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

Fee amounts in this PDS

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

Table 1

Type of fee or cost	Amount	How and when paid
Fees when your money moves in or out of the Fund		
Establishment fee The fee to open your investment.	Nil	Not applicable
Contribution fee The fee on each amount contributed to your investment.	Nil	Not applicable
Withdrawal fee The fee on each amount you take out of your investment.	Nil	Not applicable
Termination fee The fee to close your investment.	Nil	Not applicable
Management costs		
The fees and costs for managing your investment.	Management fee 0.6% pa	Calculated daily on the gross assets of the Fund. Paid to us monthly out of the Fund's assets and reflected in the unit price. The amount of this fee may be negotiable (see 'Differential fees' in this section).
Service fees		
Investment switching fee The fee for changing funds.	Nil	Not applicable

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

Additional explanation of fees and costs

Management fee

The management fee is charged on the value of the gross assets of the Fund. When calculating the value of the gross assets of the Fund for this purpose, we may value any units held by the Fund in underlying funds by reference to the gross assets of the underlying funds (that is, disregarding the value of any borrowings, other liabilities or provisions in those underlying funds) rather than the net asset value.

Any management fees charged by underlying funds are included in the fees noted in Table 1; they are not an additional cost to you.

Maximum fees

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

- Contribution fee – 5% of the application amount. We currently do not charge a contribution fee.
- Withdrawal fee – 5% of the withdrawal amount. We currently do not charge a withdrawal fee.
- Management fee – 2% per annum of the value of the assets of the Fund. We currently charge a management fee of 0.6% per annum.

Buy and sell spreads

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

Buy and sell spreads are calculated as a pre-determined estimate of the average of the costs the Fund may incur when buying or selling assets. They will be influenced by our experience of the costs involved in trading these assets or the costs that the Fund has actually paid, and will be reviewed whenever necessary to ensure they remain appropriate.

Buy and sell spreads are additional to the fees noted in Table 1 and are retained within the Fund; they are not fees paid to us.

The buy spread is taken out of application amounts. The sell spread is taken out of withdrawal amounts.

As at the date of this PDS, a buy spread of 0% and a sell spread of 0.1% apply to the Fund. Current buy and sell spreads can be obtained online at www.ampcapital.com.au/spreads or by contacting us.

Outside of normal market conditions, we estimate that the buy spread may be up to 0.5% and that the sell spread may be up to 0.5%. If there is any material increase beyond the 0.5% estimate, we will issue a replacement or supplementary PDS.

Based on a buy spread of up to 0.5% and a sell spread of up to 0.5%, an investment of \$550,000 would incur a buy spread of up to \$2,750, and a withdrawal of \$550,000 would incur a sell spread of up to \$2,750.

Other costs

Transactional and operational costs

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

Costs related to a specific asset or activity to produce income

The Fund may also incur costs (related to a specific asset or activity to produce income) that an investor would incur if they invested directly in a similar portfolio of assets, for example the costs of gearing and costs associated with entering into repurchase agreements. The costs associated with repurchase agreements include sharing up to 40% of the income generated with the parties running the repurchase program, which may include us. These costs will be paid out of the Fund and are additional to the fees noted in Table 1.

Liabilities properly incurred

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

Changes to fees and costs

Any of the existing fees can be changed without the consent of platform operators or indirect investors. However, we will give platform operators 30 days written notice of any intention to:

- increase the existing fees, expenses or recovery of expenses, or
- introduce contribution or withdrawal fees.

We may also introduce or increase other fees at our discretion. This may occur where increased charges are incurred due to government changes to legislation, increased costs, significant changes to economic conditions, or where third parties impose or increase processing charges. However, we currently do not foresee any reason why the fees noted in Table 1 would be increased.

Tax

Unless otherwise stated, the fees shown in Table 1 are inclusive of Goods and Services Tax (GST) and any applicable stamp duty, less reduced input tax credits. The benefits of any tax deductions, including additional input tax credits for GST, are passed on to investors in the form of reduced fees or costs.

For information about the tax implications of investing in the Fund, see the 'Tax and social security' section of this PDS.

Differential fees

We may negotiate a rebate of part of the management fee or charge a lower management fee with investors who are wholesale clients for the purposes of Section 761G and Section 761GA of the Corporations Act or with AMP staff. Further information can be obtained by contacting us.

Alternative forms of remuneration

We comply with the Financial Services Council (FSC) standard relating to alternative forms of remuneration. This standard requires fund managers, platform providers, representatives and licensees who are members of the FSC or Financial Planning Association to maintain a register to record any material forms of alternative remuneration they may pay or receive. We will provide you with a copy of our register free of charge, on request.

Payments to your financial adviser

Although we do not make any payments to financial advisers whose clients invest in the Fund through this PDS, your financial adviser may receive payments and/or other benefits from the dealer group or organisation under which they operate. These payments and benefits are not a cost to the Fund.

Other payments

We may make payments to entities such as dealer groups, platform operators, master trusts and investment administration services in relation to the Fund. These payments are paid by us and are not a cost to you. We may make two types of payments to such entities:

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

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

Example of annual fees and costs

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

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

Table 2

Example		Balance of \$550,000 with a contribution of \$5,000 during the year
AMP Capital Corporate Bond Fund		
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged \$0.
Plus		
Management costs	0.6%	And , for every \$550,000 you have in the Fund you will be charged \$3,300 each year.
If you had an investment of \$550,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged a fee of		
Equals		\$3,300*
Cost of the Fund		What it costs you will depend on the fund you choose and the fees you negotiate with your fund or financial adviser.

*The \$3,300 shown in the table above does not include the management costs charged on the additional \$5,000 investment. The additional management costs would be \$30 if you had invested the \$5,000 for a full 12 months.

Tax and social security

Taxation treatment of your investment

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

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

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

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

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

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

Other tax information is provided in the 'Fees and other costs' section of this PDS.

Social security

Investing may affect any social security benefits to which you are or may be entitled, and you should consider discussing this with your financial adviser, Centrelink or the Department of Veterans' Affairs before investing.

Investment in the Fund

Who can invest?

Applications to invest in the Fund through this PDS can only be made by:

- platform operators, investing directly in the Fund, and
- indirect investors, investing in the Fund through a master trust or wrap platform.

If you are an indirect investor, the platform operator is investing on your behalf (see 'Our legal relationship with you' on page 21 for more details).

Please note that we can only accept applications signed and delivered from within Australia.

How to invest

Initial investment

To invest in the Fund you will need to complete an application form (see the 'Applying for an investment in the Fund' section of this PDS).

Additional investments

You will need to complete an application form each time you make an additional investment. Additional investments are made on the basis of the PDS current at the time of the additional investment.

More detailed information about how to invest is provided in 'Applying for an investment in the Fund' section of this PDS.

Processing applications

We generally process applications each business day, using the close of business issue price for that day. A business day for us is any day other than Saturday, Sunday or a bank or public holiday in Sydney, NSW.

If we receive an application after 2.00pm or on a non-business day for us, we treat it as having been received before 2.00pm the next business day.

We normally determine the market value and net asset value of the Fund at least each business day, using the market prices and unit prices of the assets in which the Fund is invested.

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

Cooling off rights

Platform operators

Platform operators do not have cooling off rights in relation to an investment in the Fund.

Indirect investors

Indirect investors have no cooling off rights under this PDS. Your financial adviser or platform operator can provide you with the conditions, if any, that apply to returning your investment within the cooling off period set by the platform operator.

The value of your investment

The Fund has a number of classes of units, each with its own unit price. Investments made through this PDS relate to On-platform Class A units.

Unit prices can rise and fall on a daily basis. Consequently, the value of your investment will vary from time to time.

Platform operators

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

Indirect investors

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

Risk

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

Retaining this PDS

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

Changes to the information in this PDS

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

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

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

Questions about your investment

Platform operators

Please contact our Client Services team on 1800 658 404 if you have questions relating to your investment.

Indirect investors

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

Accessing your money

Requesting a withdrawal

Platform operators

Contact us in writing, telling us how much you wish to withdraw and giving your account details. Withdrawal requests can be submitted by fax* to 1800 630 066 or by mail to AMP Capital Investors Limited, GPO Box 5445, Sydney NSW 2001. Withdrawal amounts will be paid to your nominated account.

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

Minimum account balance

We generally require a balance of \$500,000 to keep your investment open. If your investment falls below this level, we may redeem your investment and pay the proceeds to you. We reserve the right, however, to accept lower account balances.

Indirect investors

Contact your financial adviser or platform operator for details about:

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

Processing withdrawal requests

Withdrawal requests are generally processed each business day. A business day for us is any day other than Saturday, Sunday or a bank or public holiday in Sydney, NSW.

If we receive a withdrawal request before 2.00pm on a business day, we will process the request using the close of business withdrawal price for that day. Withdrawal requests received after 2.00pm or on a non-business day for us are treated as having been received before 2.00pm the next business day.

We aim to process each withdrawal request within 10 business days of receiving the request (see 'Payment times' in this section).

Withdrawal prices

We normally determine the market value and net asset value of the Fund at least each business day, using the market prices and unit prices of the assets in which the Fund is invested.

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

Payment times

Although we aim to process withdrawal requests within 10 business days of receipt, you should be aware that:

- payment and processing of withdrawal requests is dependent on the Fund's cash position, and
- the Fund's constitution allows up to 30 days, or longer in some circumstances, to process withdrawal requests. These circumstances include
 - where we are unable to realise sufficient assets due to circumstances beyond our control, such as restricted or suspended trading in the market for an asset, or
 - if we do not consider it is in the best interests of investors to realise sufficient assets to satisfy a withdrawal request.

Transfer of units

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

Platform operators

Please contact us for all transfer requests.

Indirect investors

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

Keeping you informed

Investment information

We will send platform operators confirmation of each transaction.

Online access

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

Fund information

We will provide platform operators with the following information free of charge, on request:

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

Platform operators are responsible for forwarding the above investment and Fund information to indirect investors (investors who have invested in the Fund through a master trust or wrap platform).

Additional information

Rights attaching to each class of units

The Fund has a number of classes of units. This PDS relates to On-platform Class A units. Under the Fund's constitution, the different unit classes have different management costs, expenses and distributions, but otherwise all classes of units have similar rights.

Our legal relationship with you

The Fund is a managed investment scheme, structured as a unit trust and registered under the Corporations Act. The Fund's constitution provides the framework for the operation of the Fund and with this PDS, the Corporations Act and other relevant laws, sets out the relationship between us and unitholders. We will send you a copy of the Fund's constitution free of charge, on request.

Indirect investors

If you access the Fund through a master trust or wrap platform, you become an 'indirect investor', as the operator of your master trust or wrap platform (the platform operator) is investing on your behalf. Consequently the platform operator (or the custodian of the platform), and not you, holds the units in the Fund and has the rights of an investor (unitholder) in the Fund. For example, indirect investors do not have rights to attend and vote at unitholder meetings, to redeem units or receive distributions. Instead, the platform operator exercises those rights on your behalf in accordance with the arrangements they have with you.

For information about your investment, you will need to contact your financial adviser or the operator of the platform through which you have invested.

The Fund's constitution

The following overview of the Fund's constitution is mainly relevant to platform operators, as they are unitholders under the constitution. Indirect investors are not unitholders.

Some of the provisions of the Fund's constitution, such as maximum fees, are discussed in this PDS. Further provisions relate to:

- the rights and liabilities of unitholders
- the times when processing of withdrawal requests can be extended, such as if the Fund is illiquid or it is not in the best interests of unitholders
- where taxes or other amounts can be deducted from payments to unitholders
- where transfers and applications may be refused
- our liability to unitholders in relation to the Fund, which is limited to any liability imposed by the Corporations Act, so long as we act in good faith and without gross negligence
- our powers, rights and liabilities as responsible entity of the Fund, including our power to invest the assets of the Fund, to deal with ourselves and our associates, to be paid fees and to be reimbursed or indemnified out of the assets of the Fund
- our right to be reimbursed by a unitholder or former unitholder for tax or expenses we incur as a result of their request, action or inaction, or to redeem units to satisfy amounts due to us from a unitholder
- changing the Fund's constitution, including in some cases without unitholder approval, such as to meet regulatory changes
- our ability to terminate the Fund at any time
- when we can terminate the Fund or retire, and what happens if this occurs, and
- voting rights.

Although the Fund's constitution limits a unitholder's liability to the value of their units, the courts have yet to determine the effectiveness of provisions like this.

Complaints procedure

Platform operators

We have an established procedure to deal with any complaints. When we receive a complaint from you by telephone on 1800 658 404 or in writing to AMP Capital Investors Limited, GPO Box 5445, Sydney NSW 2001, we ensure an appropriate person properly considers the complaint, and we give you information about any further action available to you.

If we are unable to resolve your complaint within 24 hours, we will keep you informed, giving the time frame in which we expect to resolve the matter and the name of the representative managing the resolution of your complaint. We may also require additional information from you.

Indirect investors

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

Your privacy

Platform operators

Our main purpose in collecting personal information is so that we can establish your investment account and appropriately carry out administration associated with your account. If you choose not to provide the information requested in the application form, we may not be able to process your application.

The information collected may also be used for providing you with ongoing information about a range of financial services. Please let us know if you prefer not to receive this information.

We usually disclose information to other members of the AMP Group, financial advisers where applicable, and to external service suppliers who supply administrative, financial or other services that assist us in providing services to you.

The AMP Privacy Policy Statement sets out the AMP Group's policies on management of personal information. The policy can be obtained online at www.ampcapital.com.au or by contacting us.

Under the Privacy Act 1988 (Cwlth), you may access personal information we hold about you, although the Act does set out some exemptions to this. If you believe information we hold about you is inaccurate, incomplete or out of date, please contact us.

Indirect investors

Your financial adviser or platform operator will collect personal information from you so that they can establish your investment account and appropriately carry out administration associated with your investments. Your financial adviser or platform operator can provide you with information about how they use and disclose this information.

Unit Pricing Discretions Policy

We may exercise certain discretions in determining the unit price of units on application and withdrawal in the Fund. Our Unit Pricing Discretions Policy, which can be obtained online at www.ampcapital.com.au or by contacting us, sets out the types of discretions that we may exercise and in what circumstances, our policies on how we exercise the discretions and the reasons why we consider our policies are reasonable. We are required to keep a record of any instance where we exercise a discretion in a way that departs from these policies.

Communication by fax

When you communicate with us by fax, it is your responsibility to obtain confirmation from us that we have received your fax. We are not responsible for any loss or processing delay that occurs as a result of us not receiving a faxed communication. Please note that we do not accept a sender's fax transmission record as evidence that a communication has been received by us. You also indemnify us against any loss or liability arising from us acting on any fraudulent communication received by fax.

Anti-money laundering and counter-terrorism financing and sanctions

Indirect investors

The following information is mainly relevant to platform operators. For indirect investors, your financial adviser or platform operator will be able to provide you with information about how anti-money laundering and counter-terrorism financing legislation may affect you in relation to an investment in the Fund.

Platform operators

To comply with our obligations under anti-money laundering and counter-terrorism financing legislation, we must collect certain information about each investor, supported by relevant identification documents. Examples of identification documents include passports and driver's licences for individuals, and evidence of registration for entities such as companies. The documents you will need to provide are listed in the form you complete at the time of applying for an investment in the Fund.

By applying to invest in the Fund you warrant that:

- you comply and will continue to comply with all applicable anti-money laundering (AML) and counter-terrorism financing (CTF) and sanctions laws and regulations, including but not limited to the laws and regulations of Australia in force from time to time (AML/CTF and Sanctions Law)
- you are not aware and have no reason to suspect that:
 - the moneys used to fund your investment in the Fund have been or will be derived from or related to any money laundering, terrorism financing or similar activities that would be illegal under applicable laws or regulations or otherwise prohibited under any international convention or agreement ('illegal activity'), or
 - the proceeds of your investment in the Fund will be used to finance any illegal or sanctioned activities
- you, your agent or your nominated representative will provide us with all additional information and assistance that we may request in order for us to comply with any AML/CTF and Sanctions Law, and

- you will notify us if you are or become:
 - a 'politically exposed' person or organisation for the purposes of any AML/CTF Law
 - a 'proscribed person or entity' for the purposes of Sanctions Law, or
 - commonly known by a name other than the name provided in the form you complete at the time of applying for an investment in the Fund.

By applying to invest in the Fund, you also acknowledge that we may:

- decide to delay or refuse any request or transaction, including by suspending the issue or redemption of units in the Fund, if we are concerned that the request or transaction may breach any obligation of, or cause us to commit or participate in an offence under any AML/CTF and Sanctions Law, and we will incur no liability to you if we do so
- take other action we reasonably believe is necessary to comply with AML/CTF and Sanctions Law, including disclosing any information that we hold about you to any of our related bodies corporate or service providers whether in Australia or outside Australia, or to any relevant Australian or foreign AML or CTF regulator, and
- collect additional information about you from time to time, from you or from third parties, for the purposes of satisfying our AML/CTF and Sanctions Law obligations, and that we may use and disclose any such information as described under 'Your privacy' in this section.

Applying for an investment in the Fund

Indirect investors

How to apply

Your financial adviser or platform operator will provide you with information about how to apply, including:

- the form you will need to complete
- minimum initial and additional investment amounts, and
- the method of paying your investment amount.

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

Platform operators

How to apply

Please contact our Client Services team on 1800 658 404 to obtain an application form.

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

Minimum investment amounts

- Initial investment – \$500,000
- Additional investment – \$5,000

We reserve the right to accept lower investment amounts.

Providing a Tax File Number (TFN)

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

Signing the application form

The application form should only be completed and signed by:

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

Submitting the application form

Application forms should be mailed to:

Client Services
AMP Capital Investors Limited
GPO Box 5445
SYDNEY NSW 2001

Please include all required identification documentation when submitting your application.

Contacting AMP Capital Investors

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

Sydney office

AMP Capital Investors Limited
50 Bridge Street
SYDNEY NSW 2000

Mailing address

AMP Capital Investors Limited
GPO Box 5445
SYDNEY NSW 2001

Telephone

Client Services
1800 658 404
8.30am – 5.30pm Sydney time, Monday to Friday

Fax

1800 630 066

Email

clientservices@ampcapital.com

Website

www.ampcapital.com.au