

# Notice of Meeting and Explanatory Memorandum

for the Vanguard® Exchange Traded Funds (ETF)

12 July 2023

Vanguard Investments Australia Ltd announces the following:

ETF	ASX CODE	ANNOUNCEMENT
Vanguard Global Infrastructure Index ETF	VBLD	Notice of Meeting and Explanatory Memorandum
Vanguard MSCI International Small Companies Index ETF	VISM	Notice of Meeting and Explanatory Memorandum

The Notice of Meeting and Explanatory Memorandum for the Vanguard Wholesale Funds Proposal dated 12 July 2023 (NOM/EM) is attached and available on the Vanguard website: [www.vanguard.com.au/personal/support/proposal/etf](http://www.vanguard.com.au/personal/support/proposal/etf).

The Vanguard Wholesale Funds Proposal described in the NOM / EM does not impact ETF investors. However, investors in the Vanguard Global Infrastructure Index ETF (VBLD) and Vanguard MSCI International Small Companies Index ETF (VISM) are entitled to vote on the Vanguard Wholesale Funds Proposal given the connection to the underlying wholesale funds.

## Further Information

If you have any queries on Vanguard ETFs, please visit [vanguard.com.au](http://vanguard.com.au)

Vanguard Investments Australia Ltd (ABN 72 072 881 086 / AFS Licence 227263) ("Vanguard") is the issuer of the Vanguard® Australian ETFs, and is a wholly owned subsidiary of The Vanguard Group, Inc. based in the US. All rights reserved. Past performance information is given for illustrative purposes only and should not be relied upon as, and is not, an indication of future performance. In preparing the information, individual circumstances, for example tax implications, have not been taken into account and it may, therefore, not be applicable to an individual's situation. Before making an investment decision, you should consider your circumstances and whether the above information is applicable to your situation. Vanguard ETFs will only be issued to Authorised Participants. That is, persons who have entered into an Authorised Participant Agreement with Vanguard ("Eligible Investors"). Retail investors can transact in Vanguard ETFs through Vanguard Personal Investor, a stockbroker or financial adviser on the secondary market. Investors should consider the Product Disclosure Statement ("PDS") in deciding whether to acquire Vanguard ETFs. Retail investors can only use the PDS for informational purposes. A copy of the Target Market Determinations (TMD) for Vanguard's financial products can be obtained at [vanguard.com.au](http://vanguard.com.au) free of charge and include a description of who the financial product is appropriate for. You should refer to the TMD of this ETF before making any investment decisions. You can access our disclosure documents at [vanguard.com.au](http://vanguard.com.au) or by calling 1300 655 101. This publication was prepared in good faith and we accept no liability for any errors or omission

Vanguard Investments Australia Limited

# The Vanguard Wholesale Funds (Wholesale Proposal)

## Notice of Meeting and Explanatory Memorandum

Details of Meeting:

Time: 10:00am AET

Date: 15 August 2023

### **VOTE IN FAVOUR**

The Directors of Vanguard recommend that you vote in favour of the Proposal for each of the Wholesale Funds you hold units in.

# Notice of Meeting

**For a Meeting of Voting Members of each Wholesale Fund set out in Annexure A of this Notice of Meeting and Explanatory Memorandum to be held at 452 Johnston St, Abbotsford, VIC 3067 at 10am (AET) on Tuesday 15 August 2023**

**Issued by Vanguard Investments Australia Limited (ABN 72 072 881 086 AFSL No 227263) as Responsible Entity of each of the Wholesale Funds set out in Annexure A of this Notice of Meeting and Explanatory Memorandum**

This Notice of Meeting is dated 12 July 2023.

## 1. Notice of Meeting

Pursuant to section 252A of the Corporations Act 2001 (Cth) and the Constitutions of each Wholesale Fund listed in Annexure A of this Notice of Meeting and Explanatory Memorandum, Vanguard Investments Australia Limited, as responsible entity of each Wholesale Fund, hereby gives notice that it will hold a separate Meeting of Voting Members of each Wholesale Fund at:

Time: 10am (AET)

Date: Tuesday 15 August 2023

Venue: 452 Johnston St, Abbotsford, VIC 3067

### Business of the Meetings:

#### **Resolution 1 – Approval of Amendments of the Wholesale Fund Constitution to facilitate the Proposal**

For Voting Members of each Wholesale Fund, to consider and, if thought fit, to pass the following Resolution as a special resolution:

*'THAT:*

- (a) the Constitution of the Wholesale Fund be amended by inserting the new clause set out in Annexure B of the Notice of Meeting and Explanatory Memorandum dated 12 July 2023 (**Explanatory Memorandum**), in order to facilitate the implementation of the Proposal as outlined in the Explanatory Memorandum;*
- (b) Vanguard Investments Australia Limited as the responsible entity of the Wholesale Fund be authorised to execute and lodge with the Australian Securities and Investments Commission (**ASIC**) a supplemental deed in relation to the amendments referred to in paragraph (a) of this resolution; and*
- (c) each director or company secretary of Vanguard Investments Australia Limited as responsible entity of the Wholesale Fund be authorised to do all things which it reasonably considers necessary or incidental to give effect to (a) and (b).'*

#### **Resolution 2 – Approval of the Proposal**

For Voting Members of each Wholesale Fund, to consider and, if thought fit, to pass the following Resolution as an ordinary resolution:

*'THAT:*

*subject to and conditional on the passing of Resolution 1, approval is given for Vanguard Investments Australia Limited to implement the Proposal outlined in the Explanatory Memorandum for all purposes.'*

The effect of the Resolutions are described in the Explanatory Memorandum, which forms part of this Notice of Meeting and provides information relating to the Resolutions. A copy of the supplemental deed referred to in Resolution 1 will be initialled by the Chair of the Meetings for identification.

Definitions of certain terms used in this Notice of Meeting appear at section 6 of the Explanatory Memorandum.

## **2. The Meetings, Voting and Eligibility**

### **2.1 The Meetings**

We will hold a separate Meeting for each Wholesale Fund. It is proposed that each Meeting will be held concurrently (unless the Chair determines otherwise and subject to any particular Meeting being adjourned).

### **2.2 Chairperson (Chair)**

We will appoint a Chair, in accordance with the Corporations Act and each Wholesale Fund's Constitution, in respect of the Meetings.

### **2.3 Quorum**

The separate Meeting for each Wholesale Fund must satisfy the quorum requirements as set out in each Wholesale Fund's Constitution and which are summarised in Annexure A.

### **2.4 Resolution voting requirements**

For each Wholesale Fund, for the Proposal to proceed, both Resolutions must be approved:

- (a) Resolution 1: by at least 75% of the total number of votes cast by Voting Members at the Meeting who are entitled to vote; and
- (b) Resolution 2: by at least 50% of the total number of votes cast by Voting Members at the Meeting who are entitled to vote.

### **2.5 Voting entitlements**

Your holding for the purposes of ascertaining the voting entitlements at a Meeting will be as it appears in the register of each Wholesale Fund at 7pm on Sunday 13 August 2023 (**Voting Eligibility Time**).

You will not be able to vote on a Resolution that relates to any other Wholesale Fund unless you are also a Voting Member of the other Wholesale Fund at the Voting Eligibility Time.

Only Voting Members are entitled to vote on the Resolutions at the Meeting(s). In the case of:

- (a) each Wholesale Fund except the Vanguard Global Infrastructure Index Fund and Vanguard International Small Companies Index Fund, Voting Members are Ordinary Members. Refer to Annexure C for a summary of the relief issued by ASIC in relation to certain relevant Wholesale Funds to facilitate a meeting of, and voting by, Voting Members only; and
- (b) the Vanguard Global Infrastructure Index Fund and Vanguard International Small Companies Index Fund, Voting Members are Ordinary Members and Non-Affected Members.

### **Foreign Resident Members and Ordinary Members who Opt-Out of the Proposal**

Foreign Resident Members of each Wholesale Fund and Ordinary Members who Opt-Out of the Proposal are entitled to vote on the Resolutions at the Meeting(s). However, the Proposal will not apply to or be implemented in respect of Foreign Resident Members and Ordinary Members who Opt-Out of the Proposal. Foreign Resident Members should refer to section 3.7 for further information in relation to Foreign Resident Members. Ordinary Members should refer to section 3.6 for additional information about their ability to Opt-Out of the Proposal.

### **2.6 Calculation of voting rights**

Voting on the special resolution (Resolution 1) will be conducted by way of a poll. Voting on the ordinary resolution (Resolution 2) will be conducted by way of a show of hands, unless a poll is demanded.

A poll may be demanded before votes on the ordinary resolution are taken, before the voting results on a show of hands are declared or immediately after the voting results on a show of hands are declared.

Except in relation to the Vanguard Short Term Fixed Interest Fund, a poll may be demanded by at least five Voting Members present at the Meeting entitled to vote on the ordinary resolution, by Voting Members present with at least five per cent of the votes that may be cast on the ordinary resolution on a poll or by the Chair. In relation to the Vanguard Short Term Fixed Interest Fund, a poll may be demanded by the Chair or a Voting Member present in person or by proxy. Voting papers will be issued at the Meeting in the event that a poll is demanded.

On a show of hands, you will have one vote. On a poll, you will have one vote for each dollar of the value of the total interests you have in each Wholesale Fund.

## **2.7 Joint Members**

In the case of joint Voting Members, only the vote of the Voting Member whose name appears first in the register of Members counts, in accordance with section 253D of the Corporations Act.

## **2.8 Voting and proxies**

You can cast your vote in either of two ways:

- (1) by attending the Meeting and voting either in person or by attorney or, in the case of corporate investors, by corporate representative; or
- (2) by appointing a proxy to attend the Meeting and vote on your behalf so that it is received no later than 10am (AET) on Sunday 13 August 2023. You can complete and return a proxy form by post or fax or by lodging your proxy form online in accordance with the instructions on that form. As a practical matter, if you are posting your proxy form, the proxy form needs to be received by 5.00pm (AET) on Friday, 11 August 2023.

If you are entitled to cast two or more votes, you do not need to cast all your votes and may cast your votes in different ways.

### **Attending and participating in the Meeting**

You can attend and participate in the Meeting on the day of the Meeting by attending 452 Johnston St, Abbotsford, VIC 3067.

### **Corporate representatives**

To vote in person, a corporation which is a Voting Member may appoint an individual to act as its representative to exercise all or any of its powers at a Meeting. The appointment may be a standing one. The appointment must comply with the requirements of section 253B of the Corporations Act and set out what the representative can do and may set out restrictions (if any) on the representative's powers. If the appointment is to be by reference to a position held, the appointment must identify the position. A body corporate may appoint more than one representative but only 1 representative may exercise the body's powers at any one time. Unless otherwise specified in the appointment, the representative may exercise, on the body corporate's behalf, all of the powers that the body could exercise at a Meeting or in voting on a Resolution.

### **Proxies**

Voting Members are entitled to appoint a proxy to vote and attend the Meetings on their behalf. A proxy need not be a Member.

A Voting Member entitled to cast two or more votes at the Meeting may appoint two proxies and specify the proportion or number of votes each proxy is appointed to exercise. If you appoint two proxies and do not specify the proportion or number of votes each proxy may exercise, then each proxy may exercise half of the votes. Any fractions of votes from the appointment of proxies will be disregarded.

A proxy form accompanies this Notice of Meeting. To appoint a proxy, please complete and sign the proxy form that accompanies this Notice of Meeting and send it by post to Computershare at Computershare Investor Services Pty Ltd GPO Box 242, Melbourne, Victoria, 3001 or by fax

on 1800 783 447 (within Australia, or +61 3 9473 2555 from outside Australia) or by lodging your proxy form online at [www.investorvote.com.au](http://www.investorvote.com.au) in accordance with the instructions of the proxy form so that it is received **by no later than 10am (AET) on Sunday 13 August 2023**. If the proxy form is signed by your attorney, then the authority under which the proxy form was signed by the attorney (or a certified copy) must also be received by us **by no later than 10am (AET) on Sunday 13 August 2023**. As a practical matter, if you are posting your proxy form, the proxy form (and any authority) needs to be received by 5.00pm (AET) on Friday, 11 August 2023.

If you return your proxy form but do not nominate a representative, the Chairperson of the Meetings will be your proxy and will vote on your behalf as you direct on the proxy form.

If you have appointed the Chairperson as your proxy (or the Chairperson becomes your proxy) and you do not mark any of the boxes FOR, AGAINST or ABSTAIN box in respect of the Resolutions on the proxy form, then you will be deemed to have directed the Chairperson to vote in favour of the Resolutions.

If you appoint someone other than the Chairperson as your proxy, you may direct your proxy how to vote by placing a mark either in the FOR, AGAINST or ABSTAIN box next to the Resolutions on the proxy form. If you do not mark any of the boxes, your proxy may vote as they choose (except where your proxy is a Voting Member that is not entitled to vote on the Resolutions, in which case they may only vote as directed in the proxy form) and they may choose not to vote at all.

## 2.9 Voting exclusions

Under the Corporations Act, the Responsible Entity and its associates are not entitled to vote their interests on a Resolution if they have an interest in the Resolution or matter other than as a Member of the Wholesale Funds. Neither the Responsible Entity nor any of its associates will vote on the Resolution. However, the Responsible Entity and its associates may vote as proxies of other Voting Members if the proxy appointment specifies the way they are to vote.

## 2.10 Auditor

Section 252T of the Corporations Act provides that the auditor of each Wholesale Fund and the auditor of each Wholesale Fund's compliance plan, or their authorised representatives, are entitled to attend the Meetings and be heard at the Meetings on any part of the business of the Meeting that concerns them in such capacity.

## 2.11 Minutes

The Responsible Entity will arrange for minutes of each Meeting and ensure that Members are provided access to these minutes in accordance with sections 253M and 253N of the Corporations Act.

## 2.12 Adjournment of Meeting

A summary of the adjournment provisions for each Wholesale Fund is included in Annexure A.

## 2.13 Contact details

If you have any questions about this Notice of Meeting, the Meeting or the Proposal, you can speak with a member of our team on:

<b>Retail investors</b>	1300 655 101 8:00am – 6:00pm (AET), Monday to Friday	<a href="mailto:clientservices@vanguard.com.au">clientservices@vanguard.com.au</a>
<b>Financial advisers</b>	1300 655 205 8:00am – 6:00pm (AET), Monday to Friday	<a href="mailto:adviserservices@vanguard.com.au">adviserservices@vanguard.com.au</a>
<b>Institutional investors</b>	Please contact your Relationship Manager or email <a href="mailto:institutional@vanguard.com.au">institutional@vanguard.com.au</a> .	

*If you are calling from outside Australia, call +61 3 8888 3888.*



Daniel Shrimski  
Chairman  
Vanguard Investments Australia Limited

# Letter from the Chairman

**Vanguard**<sup>®</sup>

Level 13  
130 Lonsdale Street  
Melbourne VIC 3000  
Australia

Phone: +61 3 8888 3888

vanguard.com.au

Dear Vanguard Investor

## Unitholder Meetings of Voting Members to vote on the Proposal

On behalf of the Vanguard Board, I am pleased to invite you to vote on an important Proposal in relation to your investment in Ordinary units in the Vanguard Wholesale Fund(s) (the **Wholesale Funds**).

The Proposal involves moving your investment to the Vanguard Personal Investor platform. The aim of the Proposal is to enhance your investing experience by providing you with more investment options and an improved online experience, all delivered through a platform designed to help you reach your financial goals.

Your vote is important because the Proposal for each Wholesale Fund can only go ahead if the Proposal is approved by Voting Members of that particular Wholesale Fund<sup>1</sup>. We will hold separate Unitholder Meetings of Voting Members for each of the Wholesale Funds set out in the Explanatory Memorandum on Tuesday 15 August 2023. The enclosed Explanatory Memorandum (the **EM**) contains detailed information about the Proposal.

## Why Vanguard is presenting the Proposal to Voting Members

The Proposal is in line with our strategy to deliver you best-in-class investment management that serves you throughout your entire investing journey. In 2020, we launched Vanguard Personal Investor because we recognised that we could make investing with us a better, more seamless experience. The Proposal will allow us to move your investment to Vanguard Personal Investor.

The Directors of Vanguard have formed the view that the Proposal is in the best interests of Members in each Wholesale Fund taking into account the advantages, disadvantages, risks and costs of the Proposal, the alternative options, the ability to opt out of the transfer and the differences between investing through Vanguard Personal Investor and investing directly in our funds.

## About the Proposal

The Proposal involves a transfer of your existing holding of Ordinary Units<sup>2</sup> in the Wholesale Funds<sup>3</sup> to Vanguard, in its capacity as operator of Vanguard Personal Investor, for Vanguard to hold on your behalf in your Vanguard Personal Investor Account.

For example<sup>4</sup>, if you hold \$10,000 of Ordinary Units in the Vanguard Australian Shares Index Fund and the Proposal is implemented, then you will hold \$10,000 of Ordinary Units in this same fund through Vanguard Personal Investor (being either the account that Vanguard has opened for you or your existing linked Vanguard Personal Investor account as described in the EM).

1. In the case of each Wholesale Fund except the Vanguard Global Infrastructure Index Fund and Vanguard International Small Companies Index Fund, Voting Members are Ordinary Members, and in the case of the Vanguard Global Infrastructure Index Fund and Vanguard International Small Companies Index Fund, Voting Members are Ordinary Members and Non-Affected Members.
2. Ordinary Units means wholesale class units and/or AUD hedged class units in each of the Wholesale Funds (except in the case of the Vanguard Ethically Conscious International Shares Index Fund where it means wholesale class units only).
3. Based on your holding of Ordinary units in the relevant Wholesale Fund as at the implementation date of the Proposal.
4. Assumes you are a Member holding Ordinary Units and you participate in the Proposal.



ETF Class Members and other Non-Affected Members<sup>5</sup>, Foreign Resident Members and Ordinary Members who elect to Opt Out of the Proposal will not participate in the Proposal if it is implemented and will continue to hold their Units as they are currently held. There are also special arrangements for Small Balance Account Holders (ie you hold less than one (1) Wholesale Fund Ordinary Unit).

## Things you should consider in voting on the Proposal

- By moving your investment to a Vanguard Personal Investor Account:
  - You will have access to a modern digital experience with the ability to manage your investments in real time online using Vanguard Online and the Vanguard Australia mobile app (iOS and Android)
  - You can invest in a wide range of Vanguard Funds (including Vanguard Wholesale Funds and Vanguard ETFs) and ASX listed shares and manage these investments through a single online account
  - You will receive consolidated investment and tax reporting
- Vanguard considers that you will not be required to recognise capital gains or losses on the transfer as there is no change to your beneficial ownership of Ordinary Units in the Wholesale Funds
- You will maintain the same investment exposure and fees.
- There are differences that you should consider between investing directly in a fund and investing in a fund through an IDPS Platform like Vanguard Personal Investor, which outside investments through public offer super funds, are the most common way for Australians to access unlisted managed fund investments. Sections 1.7 and 4.2 of the Explanatory Memorandum sets out these differences in detail, including in relation to how you access voting rights, withdrawal rights and cooling off rights.
- Members will be required to transact online. Since Vanguard Personal Investor is an online investment platform there is a risk that there may be times when the service is not available
- If you are a Small Balance Account Holder (ie you hold less than one (1) Wholesale Fund Ordinary Unit as at the Implementation Record Time) you will receive a cash payment for your investment.

## Voting at the Meetings

Your vote is important because the Proposal for a Wholesale Fund can only go ahead if the Proposal is approved by Voting Members<sup>6</sup> of that particular Wholesale Fund. You will be entitled to vote at the Meeting of a Wholesale Fund provided you are a Voting Member of the Wholesale Fund(s) as at 7:00pm (AET) on Sunday 13 August 2023.

You can vote by either:

- Attending the Meetings in person on Tuesday 15 August 2023; or
- By completing and returning the enclosed proxy form by mail or fax or lodging your proxy form online in accordance with the instructions of the form so that it is received by no later than 10:00am (AET) on Sunday 13 August 2023. If you have provided us with a valid email address, you will also receive an email from Computershare with a link to the online Investor Vote portal.

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5. Non-Affected Members are ETF Class Members, NZD Hedged Class Members and in the case of the Vanguard Ethically Conscious International Shares Index Fund, also the AUD Hedged Class.

6. Voting Members are entitled to vote on the Resolutions at the Meetings. In the case of each Wholesale Fund except the Vanguard Global Infrastructure Index Fund and Vanguard International Small Companies Index Fund, Voting Members are Ordinary Members, and in the case of the Vanguard Global Infrastructure Index Fund and Vanguard International Small Companies Index Fund, Voting Members are Ordinary Members and Non-Affected Members



## Further information

Please read the enclosed Notice of Meeting and Explanatory Memorandum in full. If you have any questions, please speak with a member of our team.

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<b>Retail investors</b>	1300 655 101 8:00am – 6:00pm (AET), Monday to Friday	clientservices@vanguard.com.au
<b>Financial advisers</b>	1300 655 205 8:00am – 6:00pm (AET), Monday to Friday	adviserservices@vanguard.com.au
<b>Institutional investors</b>	Please contact your Relationship Manager or email institutional@vanguard.com.au.	

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*If you are calling from outside Australia, call +61 3 8888 3888.*

On behalf of the Vanguard Board, thank you for your on-going support. We look forward to your participation at the Meetings on Tuesday 15 August 2023 and recommend that you vote in favour of the Proposal for each of the Wholesale Fund(s) you hold units in.

Kind regards



Daniel Shrimski  
Chairman  
Vanguard Investments Australia Limited

# Explanatory Memorandum

## Important notices

This document is issued by Vanguard Investments Australia Limited (ABN 72 072 881 086 AFSL No 227263) (**Vanguard, we, us, our or Responsible Entity**) as responsible entity of the managed investment schemes listed in Annexure A (the **Wholesale Funds**) and is dated 12 July 2023.

Vanguard is the operator of Vanguard Personal Investor. As operator, Vanguard is solely responsible for the management and operations of Vanguard Personal Investor. Vanguard is also the custodian of Vanguard Personal Investor and holds the interests in assets on trust for investors. Vanguard may appoint sub-custodians to provide custody services in relation to holding certain assets on trust for Vanguard and Vanguard will in turn hold the interest in those assets on trust for investors. Please refer to section 4 of this Explanatory Memorandum for additional information about Vanguard Personal Investor.

This document is a joint Notice of Meeting and Explanatory Memorandum issued in relation to each of the Wholesale Funds and provides Voting Members in the Wholesale Funds (**Voting Members, you, your, me or I**) with information in relation to the proposed resolutions (**Resolutions**) to be considered at a Meeting of Voting Members of each Wholesale Fund at 10am (AET) on Tuesday 15 August 2023 (**Meetings**) and explains the effect of the proposed Resolutions.

The information contained in this Notice of Meeting and Explanatory Memorandum is general information only. This document has been prepared without reference to your investment objectives, financial situation, tax position or particular needs. You should consider the appropriateness of this document to you having regard to your own objectives, financial situation or needs. You should consider the contents of this document carefully. Before deciding how to vote on the Resolutions of a Wholesale Fund, you may also wish to obtain independent advice, particularly about such individual matters as taxation.

You should read this document in its entirety before making a decision as to how to vote at the Meetings. If you have any questions in relation to this Notice of Meeting or the Explanatory Memorandum, you can speak with a member of our team on:

<b>Retail investors</b>	1300 655 101 8:00am – 6:00pm (AET), Monday to Friday	clientservices@vanguard.com.au
<b>Financial advisers</b>	1300 655 205 8:00am – 6:00pm (AET), Monday to Friday	adviserservices@vanguard.com.au
<b>Institutional investors</b>	Please contact your Relationship Manager or email institutional@vanguard.com.au.	

*If you are calling from outside Australia, call +61 3 8888 3888.*

**If the Resolutions in respect of a Wholesale Fund are passed, then it will be binding on every Voting Member of that Wholesale Fund (whether or not the Voting Member voted, and whether or not the Voting Member voted in favour of or against the Resolutions set out in the Notice of Meeting).**

## Definitions

Definitions of certain terms used in this document appear at section 6 of the Explanatory Memorandum.

## **Confidentiality**

The information contained in this Notice of Meeting and Explanatory Memorandum is confidential and commercially sensitive and is provided for the exclusive use of the Members of each Wholesale Fund, and may not be reproduced or distributed (except to a Member's professional advisers, who must be informed of its confidentiality) without Vanguard's prior written consent. By receiving this Notice of Meeting and Explanatory Memorandum, each Member agrees to be bound by and observe these confidentiality restrictions.

## **Times and dates**

All times and dates stated in the Notice of Meeting and Explanatory Memorandum are references to those times and dates as they occur in Melbourne, Victoria.

## **Responsibility for this Notice of Meeting and Explanatory Memorandum**

Vanguard, as responsible entity for each Wholesale Fund, is responsible for the information in this document and provides its consent to the distribution of the information to the Members of each Wholesale Fund and each other person required to receive a copy of this Notice of Meeting and Explanatory Memorandum in accordance with the Corporations Act.

Vanguard, its officers, employees and agents believe that the information in this document and the sources on which it is based (which may be sourced from third parties) are correct as at the date of publication. While every care has been taken in the preparation of this document, no warranty of accuracy or reliability is given and no responsibility for this information is accepted by Vanguard, its officers, employees or agents. Except where contrary to law, Vanguard excludes and disclaims all liability for this information.

## **Forward looking statements**

Certain statements in this document relate to the future. The forward looking statements in this document are not based on historical facts, but rather reflect the current expectations of Vanguard concerning future results and events. These statements generally may be identified by the use of forward-looking words or phrases such as "believe", "aim", "expect", "anticipated", "intending", "foreseeing", "likely", "should", "planned", "may", "estimate", "potential", or other similar words and phrases. Similarly, statements that describe Vanguard's objectives, plans, goals or expectations are or may be forward-looking statements.

These forward looking statements involve known and unknown risks, uncertainties, assumptions and other important factors that could cause the actual results, performance or achievements of the Wholesale Funds to be materially different from future results, performance or achievements expressed or implied by such statements. Such forward looking statements are based on numerous assumptions regarding present and future operating strategies and the environment in which the Wholesale Funds will operate in the future.

The risks described in this document could affect future results described in this document, causing these results to differ materially from those expressed, implied or projected in any forward looking statements. These factors are by no means all of the important factors that could cause actual results to differ materially from those expressed in any forward looking statement. Other unknown factors could also have a material adverse effect on future results.

Forward looking statements should, therefore, be construed in light of such risks and undue reliance should not be placed on forward looking statements.

The Members of each Wholesale Fund should note that the historical financial performance of the Wholesale Funds is no assurance or indicator of future financial performance of the Wholesale Funds. Vanguard does not guarantee any particular rate of return or the performance of, nor do they guarantee the repayment of capital or any particular tax treatment in respect of any investment in, the Wholesale Funds.

All subsequent written and oral forward looking statements attributable to Vanguard or any person acting on their behalf are qualified by this cautionary statement. Other than as required by law, neither Vanguard nor any of its directors nor any other person gives any representation, assurance, warranty (whether express or implied) or guarantee that the accuracy, likelihood or occurrence of the events or results expressed or implied in any forward looking statements in this document will actually occur.

The forward looking statements in this document reflect views held only at the date of this document. Subject to any continuing obligations under the Corporations Act, Vanguard and its respective directors disclaim any obligation or undertaking to distribute after the date of this document any updates or revisions to any forward looking statements to reflect any change in expectations in relation thereto or any change in events, conditions or circumstances on which any such statement is based.

#### **Updates to the Notice of Meeting and Explanatory Memorandum**

Any updates, supplements or changes to this Notice of Meeting and Explanatory Memorandum, including but not limited to details regarding dates, times or meeting places, may be provided at [www.vanguard.com.au/personal/support/proposal](http://www.vanguard.com.au/personal/support/proposal).

# Key dates

Notice of Meeting and Explanatory Memorandum issued	12 July 2023
When proxy forms need to be received by Computershare <i>Note: Mailed proxy forms must be received by 5pm (AET) Friday 11 August 2023</i>	10am on Sunday 13 August 2023
When Opt-Out notifications need to be received by Vanguard	7pm on Sunday 13 August 2023
Voting Eligibility Time (when eligibility to vote is determined)	7pm on Sunday 13 August 2023
Meeting date and time	10am on Tuesday 15 August 2023
Implementation Record Time (when eligibility to participate in the Proposal is determined)	
Estimated Implementation Commencement Date (if Resolutions are passed and all conditions are satisfied)	Q4 2023*
Estimated Implementation Completion Date (if Resolutions are passed and all conditions are satisfied)	

*\*Specific dates will be confirmed to you end of Q3 2023*

The times and dates contained within the above table may be subject to change. Please refer to our website [www.vanguard.com.au/personal/support/proposal](http://www.vanguard.com.au/personal/support/proposal) for any updates to the times and dates.

# What do you need to do?

**Step 1: Carefully read the Notice of Meeting and this Explanatory Memorandum**

in full before making any decision on how to vote.

**Step 2: If you want to learn more** about the Meetings, the Proposal or Vanguard Personal Investor before the Meetings take place, please speak with a member of our team on:

<b>Retail investors</b>	1300 655 101 8:00am – 6:00pm (AET), Monday to Friday	clientservices@vanguard.com.au
<b>Financial advisers</b>	1300 655 205 8:00am – 6:00pm (AET), Monday to Friday	adviserservices@vanguard.com.au
<b>Institutional investors</b>	Please contact your Relationship Manager or email institutional@vanguard.com.au.	

*If you are calling from outside Australia, call +61 3 8888 3888.*

**Step 3: Vote on the Proposal.** You can vote by either:

- Attending the Meetings in person on the day of the Meetings; or
- By completing and returning the proxy form that accompanies this Notice of Meeting and Explanatory Memorandum to Computershare by mail to Computershare Investor Services Pty Ltd GPO Box 242, Melbourne, Victoria, 3001 or by fax on 1800 783 447 (within Australia, or +61 3 9473 2555 from outside Australia) or lodging your proxy form online at [www.investorvote.com.au](http://www.investorvote.com.au) and in accordance with the instructions of the form so that it is received by no later than 10am (AET) on Sunday 13 August 2023. As a practical matter, if you are posting your proxy form, the proxy form needs to be received by 5.00pm (AET) on Friday, 11 August 2023.

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# 1. The Proposal

## 1.1 Background

Vanguard is one of the world's largest global investment management companies. As of 31 May 2023, Vanguard has over AUD \$11.8 trillion in assets under management globally. In Australia, we have been serving financial advisers, retail clients and institutional clients for over 25 years

In 2020, we launched the Vanguard Personal Investor platform (**Vanguard Personal Investor**) to provide a better experience for our direct investors. Since then, investors have been able to invest into our Wholesale Funds and exchange traded funds, as well as ASX listed shares through Vanguard Personal Investor. However, investors who invested into the Ordinary Class of a Wholesale Fund prior to 2020 have not been able to use the improved experience of Vanguard Personal Investor to manage their investments and are currently administered in a limited, highly manual and operationally inefficient legacy state.

The Proposal described in this Explanatory Memorandum is designed to transfer your Ordinary Units in the Wholesale Funds<sup>7</sup> to the Vanguard Personal Investor platform to improve your investing experience and allow Vanguard to serve the needs of all our clients while removing the risk and inefficiencies of legacy manual processing. You should carefully read the Explanatory Memorandum in full before making any decision on how to vote on the Proposal in relation to the Wholesale Fund(s) which you are a Voting Member of as at the Voting Eligibility Time<sup>8</sup>.

The Directors of Vanguard have formed the view that the Proposal is in the best interests of the Members of each Wholesale Fund impacted by the Proposal taking into account the advantages, disadvantages, risks and costs of the Proposal as well as the alternative options, the ability for investors to opt out of the transfer and the differences between investing through an investment platform like Vanguard Personal Investor and investing directly in our funds.

The Proposal will only apply to, and be implemented in respect of, Ordinary Units in the Wholesale Funds. The Proposal will not apply to or be implemented in respect of units in the ETF Class or NZD Hedged Class in the Wholesale Funds and in the case of the Vanguard Ethically Conscious International Shares Index Fund, also AUD Hedged Class (the **Non-Affected Units**). Members holding Non-Affected Units in a Wholesale Fund (the **Non-Affected Members**) will not participate in the Proposal if it is implemented and will continue to hold their Units as they are currently held.

Voting Members are entitled to vote on the Resolutions at the Meetings. In the case of:

- (a) each Wholesale Fund except the Vanguard Global Infrastructure Index Fund and Vanguard International Small Companies Index Fund, Voting Members are Ordinary Members. Refer to Annexure C for a summary of the relief issued by ASIC in relation to certain relevant Wholesale Funds to facilitate a meeting of, and voting by, Voting Members only; and
- (b) the Vanguard Global Infrastructure Index Fund and Vanguard International Small Companies Index Fund, Voting Members are Ordinary Members and Non-Affected Members.

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7. Ordinary Units means wholesale class units and/or AUD hedged class units in each of the Wholesale Funds (except in the case of the Vanguard Ethically Conscious International Shares Index Fund where it means wholesale class units only). In the case of the Vanguard Global Infrastructure Index Fund and Vanguard International Small Companies Index Fund, Non-Affected Members are eligible to vote on the Proposal but the Proposal will not be implemented in respect of the Non-Affected Units.

8. In the case of each Wholesale Fund except the Vanguard Global Infrastructure Index Fund and Vanguard International Small Companies Index Fund, Voting Members are Ordinary Members, and in the case of the Vanguard Global Infrastructure Index Fund and Vanguard International Small Companies Index Fund, Voting Members are Ordinary Members and Non-Affected Members.

## 1.2 Description of the Proposal

The Proposal involves a transfer of your existing holding of Ordinary Units<sup>9</sup> in the Wholesale Fund(s) (which you are an Ordinary Member of as at the Implementation Record Time) to Vanguard, in its capacity as operator of Vanguard Personal Investor, for Vanguard to hold on trust for you in your Vanguard Personal Investor Account<sup>10</sup>. The Proposal applies equally to each of the Wholesale Funds set out in Annexure A of the Explanatory Memorandum.

In order for the Proposal to proceed, the two Resolutions set out in the Notice of Meeting must be passed by Voting Members of each Wholesale Fund. Namely:

- Voting Members must approve by way of special resolution the Amendments to the Constitution of each Wholesale Fund to facilitate implementation of the Proposal<sup>11</sup>; and
- Voting Members must approve by way of ordinary resolution the implementation of the Proposal by Vanguard.

The Proposal is subject to all the conditions set out in section 3.15 of the Explanatory Memorandum being satisfied. Additional information regarding the effect of the Resolutions and the steps to implement the Proposal are set out in section 3 of the Explanatory Memorandum.

### **Importantly:**

- The Proposal will not change your existing investment exposure (to the relevant index or underlying portfolio), the fees you pay or the investment professionals who manage your investments.
- If you participate in the Proposal, Vanguard considers that you will be able to participate in the Proposal without realising any capital gains or losses on the transfer of your Ordinary Units into your Vanguard Personal Investor Account because, amongst other things, there is no change to your beneficial ownership of Ordinary Units in the Wholesale Funds<sup>12</sup>.
- Section 4.2 of the Explanatory Memorandum and the Vanguard Personal Investor Guide included in Annexure D set out in detail how investing through Vanguard Personal Investor is different to investing directly into a fund, like a Wholesale Fund. Section 1.7 provides a summary of these key differences in respect of voting rights, withdrawal rights and cooling-off rights. You should be aware that there are advantages, disadvantages and risks of investing through an investment platform like Vanguard Personal Investor compared to investing directly into a fund, like a Wholesale Fund. Section 2 of this Explanatory Memorandum sets out the key advantages and disadvantages of the Proposal.

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9. Ordinary Units means wholesale class units and/or AUD hedged class units in each of the Wholesale Funds (except in the case of the Vanguard Ethically Conscious International Shares Index Fund where it means wholesale class units only). In the case of the Vanguard Global Infrastructure Index Fund and Vanguard International Small Companies Index Fund, Non-Affected Members are eligible to vote on the Proposal but the Proposal will not be implemented in respect of the Non-Affected Units.

10. A reference to 'your Vanguard Personal Investor Account' in this Explanatory Memorandum means either the account that Vanguard opens for you or your existing linked Vanguard Personal Investor Account. Please see section 1.6 of this Explanatory Memorandum for further information about the Vanguard Personal Investor Account.

11. Please refer to section 3.2 of this Explanatory Memorandum for further information about the amendments to the Constitution of each Wholesale Fund.

12. You will participate in the Proposal if you are a Participating Ordinary Member. Assumes that you are not a Small Balance Account Holder. The tax consequences of your participation in the Proposal may differ depending upon your individual circumstances. You may wish to consult your own independent professional tax adviser regarding the consequences of the Proposal in light of your individual circumstances, especially if the tax information set out in this Explanatory Memorandum do not apply to you. For further detail, please see section 5 of this Explanatory Memorandum.

This is illustrated using the Vanguard Australian Shares Index Fund and the Vanguard Emerging Markets Shares Index Fund as two examples.

**Example 1: Vanguard Australian Shares Index Fund<sup>13</sup>**

If you hold \$10,000 of Ordinary Units in the Vanguard Australian Shares Index Fund and the Proposal is implemented, then you will hold \$10,000 of Ordinary Units in this same fund through Vanguard Personal Investor. As a result:

- Your investment exposure to the S&P/ASX 300 index – which is the investment objective of the Vanguard Australian Shares Index Fund – will not change if the Proposal is implemented.
- You will pay the same fees since Vanguard Personal Investor does not charge separate fees for investing in a Wholesale Fund and there is no intention to introduce such fees.
- Vanguard considers that you will not realise any capital gains or losses on the transfer of your Ordinary Units into your Vanguard Personal Investor Account because, amongst other things, there is no change to your beneficial ownership of Ordinary Units in the Wholesale Funds.
- You will hold your investment in the Vanguard Australian Shares Index Fund through Vanguard Personal Investor (and not directly).

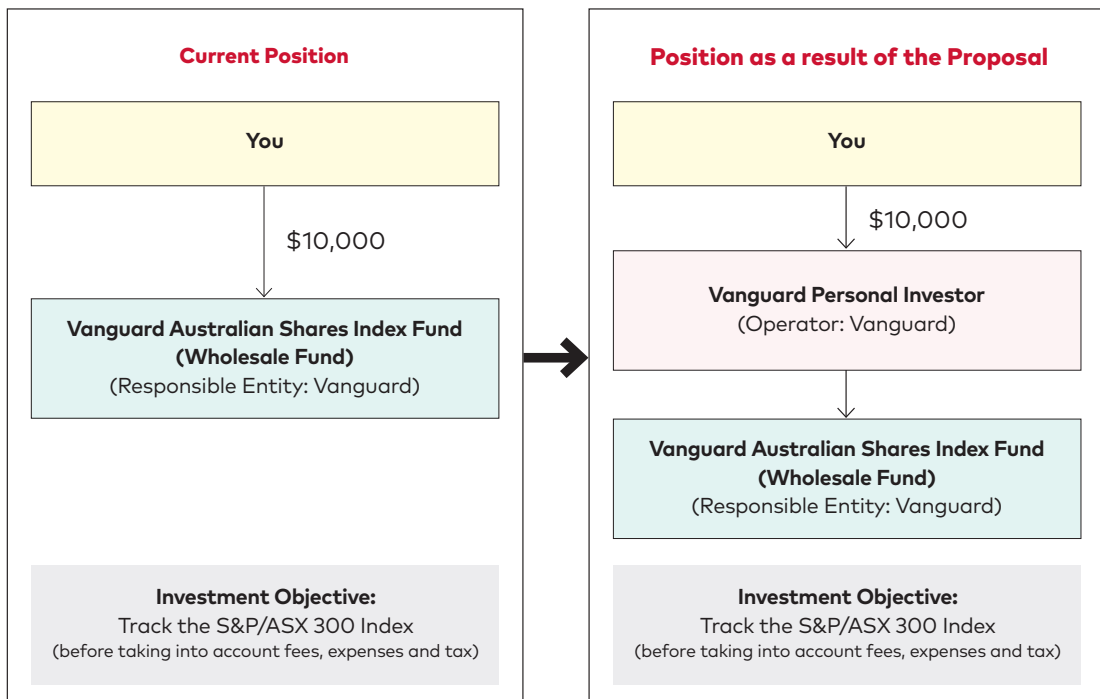
**Example 2: Vanguard Emerging Markets Shares Index Fund<sup>13</sup>**

If you hold \$15,000 of Ordinary Units in the Vanguard Emerging Markets Shares Index Fund and the Proposal is implemented, then you will hold \$15,000 of Ordinary Units in this same fund through Vanguard Personal Investor. As a result:

- Your investment exposure to the MSCI Emerging Markets Index (with net dividends reinvested) in Australian dollars before taking into account fees, expenses and tax– which is the investment objective of the Vanguard Emerging Markets Shares Index Fund – will not change if the Proposal is implemented.
- You will pay the same fees since Vanguard Personal Investor does not charge separate fees for investing in a Wholesale Fund and there is no intention to introduce such fees.
- Vanguard considers that you will not realise any capital gains or losses on the transfer of your Ordinary Units into your Vanguard Personal Investor Account because, amongst other things, there is no change to your beneficial ownership of Ordinary Units in the Wholesale Funds.
- You will hold your investment in the Vanguard Emerging Markets Shares Index Fund through Vanguard Personal Investor (and not directly).

As shown in Figure 1 below, under the Proposal, Ordinary Members will move from being invested directly in the Vanguard Australian Shares Index Fund to being invested indirectly in this same fund which will be held in your Vanguard Personal Investor Account (being either the account that Vanguard has opened for you or your existing linked Vanguard Personal Investor account as described in section 1.6 of this Explanatory Memorandum).

**Figure 1: Current structure versus Proposal structure using the Vanguard Australian Shares Index Fund as an example<sup>13</sup>**



13. Assumes that you are a Participating Ordinary Member. Please see section 1.3 for further information in relation to the ability to Opt Out.

The Proposal will only apply to, and be implemented in respect of, Ordinary Units in the Wholesale Funds. The Proposal will not apply to or be implemented in respect of the Non-Affected Units in the Wholesale Funds. The Non-Affected Members of each Wholesale Fund will not participate in the Proposal if it is implemented and will continue to hold their Units as they are currently held. Except in the case of Vanguard Global Infrastructure Index Fund and Vanguard International Small Companies Index Fund (in respect of which ASIC relief to facilitate a meeting of only Ordinary Members, was not able to be obtained), Non-Affected Members are not entitled to vote on the Proposal. For additional information, please refer to sections 3.9 of the Explanatory Memorandum.

The Proposal also includes special arrangements for Foreign Resident Members and Ordinary Members who elect to Opt Out of the Proposal. Foreign Resident Members and Ordinary Members who elect to Opt Out will not participate in the transfer to Vanguard Personal Investor that will occur under the Proposal if it is implemented and will continue to hold their Units as they are currently held. For additional information, please refer to sections 3.6 and 3.7 of the Explanatory Memorandum.

In addition, Small Balance Account Holders, will have their Ordinary Units in that Wholesale Fund redeemed for a cash payment prior as part of the implementation of the Proposal. For additional information, please refer to section 3.8 of the Explanatory Memorandum.

We will hold a separate Meeting for each of the Wholesale Funds set out in Annexure A of the Explanatory Memorandum. It is proposed that the Meeting for each of the Wholesale Funds will be held concurrently on Tuesday 15 August 2023. The Proposal, the Resolutions being voted on and the requirements that must be satisfied in order to validly convene each Meeting are identical for each of the Wholesale Funds except for certain differences summarised in section 1.5 below.

You will be entitled to vote on the Resolutions that relate to a Wholesale Fund provided you are a Voting Member of that particular Wholesale Fund at the Voting Eligibility Time (being 7pm on 13 August 2023). For example, if at the Voting Eligibility Time you are an Ordinary Member of the Vanguard Australian Shares Index Fund and the Vanguard Emerging Markets Shares Index Fund, then you are entitled to vote at the separate Meetings of these two Wholesale Funds (but not at the Meetings of the other Wholesale Funds set out in Annexure A which you are not a Member of as at the Voting Eligibility Time).

### **1.3 Opt Out**

Ordinary Members may elect to Opt Out of the transfer to Vanguard Personal Investor that will occur under the Proposal. Ordinary Members who elect to Opt Out will continue to hold the Ordinary Units in the Wholesale Funds as they are currently held.

Ordinary Members who are institutional investors and hold Ordinary Units in the Wholesale Funds and who provide trade instructions using the Calastone Global Trading Platform system should Opt Out of the transfer to Vanguard Personal Investor under the Proposal.

Institutional investors are generally considered to be regulated entities or institutions undertaking investment activities on behalf of others (such as a holder of an Australian Financial Services License, an APRA regulated superannuation fund, an investment platform or a registered Management Investment Schemes), or any other entity type deemed institutional by Vanguard.

Other investors who are Ordinary Members and hold Ordinary Units in the Wholesale Funds may also decide to Opt Out of the transfer to Vanguard Personal Investor under the Proposal, but Vanguard believes these investors will be better served on the Vanguard Personal Investor platform.

Ordinary Members may provide notice of their decision to Opt Out by completing and returning to Vanguard the Opt Out Form attached as Annexure E (in the case of retail investors) or by providing to Vanguard confirmation of their intention to Opt Out (in the case of institutional investors). Ordinary Members who wish to Opt Out must notify Vanguard of their decision to Opt Out by 7pm on Sunday 13 August 2023.

Ordinary Members who Opt Out of the transfer to Vanguard Personal Investor under the Proposal are still entitled to vote on the Resolutions at the Meeting.

Ordinary Members who do not Opt Out, and who are not a Foreign Resident Member or Small Balance Account Holder, will participate in the transfer to Vanguard Personal Investor that will occur under the Proposal and are referred to as Participating Ordinary Members.

#### **1.4 Special arrangements for Non-Affected Members, Foreign Resident Members and Small Balance Account Holders**

The Proposal will only apply to, and be implemented in respect of, Ordinary Units in the Wholesale Funds. It will not apply to or be implemented in respect of the Non-Affected Units in the Wholesale Funds (being ETF Class Units, NZD Hedged Class Units and in the case of the Vanguard Ethically Conscious International Shares Index Fund, AUD Hedged Class Units). Non-Affected Members (being Members holding Non-Affected Units in a Wholesale Fund) will not participate in the Proposal if it is implemented and will continue to hold their Non-Affected Units as they are currently held. Except in the case of Vanguard Global Infrastructure Index Fund and Vanguard International Small Companies Index Fund Non-Affected Members are not entitled to vote on the Proposal, rather only Voting Members (that is, Ordinary Members) are entitled to vote on the Proposal. Refer to Annexure C for a summary of the relief issued by ASIC in relation to the relevant Wholesale Funds to facilitate a meeting of, and voting by, Voting Members only.

Foreign Resident Members (i.e. an Ordinary Member as at the Implementation Record Time whose address as shown in a Wholesale Fund's Unit register is a place outside of Australia) will not participate in the transfer to Vanguard Personal Investor that will occur under the Proposal if it is implemented. If you are a Foreign Resident Member, your Ordinary Units will not be transferred to Vanguard Personal Investor and will continue to hold your Ordinary Units in the Wholesale Funds in the same way in which they are currently held.

Small Balance Account Holders (i.e. an Ordinary Member who as at the Implementation Record Time holds less than one (1) Ordinary Unit), will have their Ordinary Units in the Wholesale Funds redeemed and will receive a cash payment equivalent to the redemption value of their Ordinary Units (calculated using the redemption price for the relevant Wholesale Funds on the date of the redemption). Small Balance Account Holders will not participate in the transfer to Vanguard Personal Investor that will occur under the Proposal.

Foreign Resident Members and Small Balance Account Holders will be entitled to vote on the Resolutions. Please refer to sections 3.7, 3.8 and 3.9 of the Explanatory Memorandum for further information

#### **1.5 The Proposal applies equally to each of the Wholesale Funds**

The Proposal for each Wholesale Fund, the Resolutions being voted on at each Meeting by Voting Members of the Wholesale Funds and the requirements that must be satisfied in order to validly convene each Meeting are the same for each of the Wholesale Funds except for certain differences in poll, quorum and adjournment rights across the different Wholesale Funds as set out in section 2.6 of the Notice of Meeting and Annexure A of the Explanatory Memorandum.

We do not believe that these differences are material to your consideration about how to vote on the Resolutions in relation to the particular Wholesale Fund(s) you are an Voting Member of as at the Voting Eligibility Time.

## 1.6 Vanguard Personal Investor Account

If the Proposal is implemented and you are a Participating Ordinary Member, your Ordinary Units in the relevant Wholesale Fund(s) will be held in your Vanguard Personal Investor Account. Vanguard, as the operator of Vanguard Personal Investor, will hold your Ordinary Units in the Wholesale Funds on your behalf and you will retain beneficial ownership of your investment in the Wholesale Fund(s).

Vanguard Personal Investor is a digital investment platform that gives investors direct access to Vanguard's range of Wholesale Funds and ETFs, as well as ASX listed shares. It is structured as an Investor Directed Portfolio Service (or IDPS), which outside investments through public offer super funds, are the most common way for Australians to access unlisted managed fund investments (as at December 2022, approximately \$278bn is invested through IDPS platforms, like Vanguard Personal Investor in Australia<sup>14</sup>).

All your Vanguard investments can be managed online through Vanguard Personal Investor using either Vanguard Online or the Vanguard Australia mobile app (iOS and Android). This puts you in control of your investments with real-time access and transaction capabilities. Vanguard Personal Investor provides you with improved functionality such as auto-invest and consolidated investment and tax reporting. In addition, if your financial advisor manages your investments, this change will also make it easier for them to support you with your Vanguard Investments and Vanguard Superannuation since Vanguard Personal Investor will be connected to the Vanguard Adviser Direct portal.

Section 4.2 of the Explanatory Memorandum and the Vanguard Personal Investor Guide included in Annexure D set out in detail how investing through Vanguard Personal Investor is different to investing directly into a fund, like a Wholesale Fund. Section 1.7 provides a summary of these key differences in respect of voting rights, withdrawal rights and cooling-off rights. You should be aware that there are advantages, disadvantages and risks of investing through an investment platform like Vanguard Personal Investor compared to investing directly into a fund, like a Wholesale Fund. Section 2 of this Explanatory Memorandum sets out the key advantages and disadvantages of the Proposal.

If you hold other investments through a third party investment platform, it may be possible for you to transfer your Vanguard Wholesale Fund investment to that third party platform as the Vanguard Wholesale Funds are commonly available on third party investment platforms. Conversely, if you hold Vanguard investments on another third party platform(s), it may be possible in the future to consolidate your investments on Vanguard Personal Investor<sup>15</sup>.

To implement the Proposal, we will open a Vanguard Personal Investor Account for you. If you already have a Vanguard Personal Investor Account that is linked to your existing account (where you hold your Ordinary Units) and is capable of being used for implementation of the Proposal, then under the terms of the Amendments, you consent to us using this Vanguard Personal Investor Account for the purposes of implementing the Proposal, unless you notify us otherwise.

There may be circumstances (for example, where there are data or account inconsistencies) where your existing linked Vanguard Personal Investor Account is not capable of being used for the purposes of implementing the Proposal. If this is the case or if you have a Vanguard Personal Investor Account that is not linked to your existing account where you hold your Ordinary Units or if you do not hold a Vanguard Personal Investor Account at the Implementation Record Time, we will on your behalf, pursuant to the power of attorney granted to Vanguard under the terms of the Amendments, open a new Vanguard Personal Investor Account for you to hold your Ordinary Units in the Wholesale Fund(s).

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14. NMG Consulting, December 2022; Vanguard internal market research.

15. Subject to the requirements of the relevant platform, including that the Vanguard investment is on the investment menu for the relevant platform.



You will be able to link your compatible Vanguard Personal Investor Account ahead of implementation of the Proposal until the Linking Cut-off Time which will be communicated to you at the end of Q3. After the implementation of the Proposal, you will be able to consolidate your compatible Vanguard Personal Investor Accounts under the one username at any time by contacting a member of our team on 1300 655 101 between 8am – 6pm (AET) and completing the relevant form.

If you do not consent to Vanguard using a linked Vanguard Personal Investor Account for the purposes of implementing the Proposal, please let us know by contacting a member of our team on 1300 655 101 between 8am – 6pm (AET), Monday to Friday by the Implementation Commencement Date which will be communicated to you at the end of Q3 2023. (If you are calling from outside Australia, call +61 3 8888 3888).

## **1.7 Why the Directors recommend that Voting Members should vote in favour of the Proposal**

The Directors of Vanguard have formed the view that the Proposal is in the best interests of the Members of each Wholesale Fund taking into account the advantages, disadvantages, risks and costs of the Proposal as well as the alternative proposals considered, the Opt Out mechanism and the differences between investing through an investment platform like Vanguard Personal Investor and investing directly in our funds.

In forming this view, the Directors consider that:

- the Proposal is superior to the alternative proposals considered as set out in section 3.14 of the Explanatory Memorandum;
- you will not realise any capital gains or losses as a result of participating in the Proposal on the transfer of your Ordinary Units into your Vanguard Personal Investor Account as, amongst other things, there is no change to your beneficial ownership of Ordinary Units in the Wholesale Funds<sup>16</sup>;
- the Proposal will achieve the outcomes of:
  - improving operational efficiency of each Wholesale Fund by removing manual processing and serving almost all clients through a digital straight through service model. The Directors consider this to be a benefit to Members as a whole as it should reduce operational risk, increase efficiencies and better position Vanguard to serve all Members more efficiently and effectively and in accordance with their respective needs;
  - improving the investment experience for Participating Members, who will transfer to Vanguard Personal Investor; and
  - maintaining the current service model for institutional investors who send trading instructions using the Calastone Global Trading Platform system and are therefore not suited to Vanguard Personal Investor and should elect to Opt Out of the transfer; and
- the advantages of the Proposal outweigh the disadvantages. You should refer to section 2 of the Explanatory Memorandum for the key advantages and disadvantages of the Proposal. The transfer will change the way in which Participating Ordinary Members hold their existing investment with us. Vanguard Personal Investor is an IDPS platform which outside investments through public offer super funds, are the most common way for Australians to access unlisted managed fund investments<sup>17</sup>. Section 4.2 of this Explanatory Memorandum sets out in detail the differences between holding your investment through an investment platform like Vanguard Personal Investor and investing directly into a Wholesale Fund. We encourage you to carefully read this section of the Explanatory Memorandum to fully understand how an IDPS platform works.

16. Assumes that you are not a Small Balance Account Holder. The tax consequences of your participation in the Proposal may differ depending upon your individual circumstances. You may wish to consult your own independent professional tax adviser regarding the consequences of the Proposal in light of your individual circumstances, especially if the tax information set out in this Explanatory Memorandum do not apply to you. For further detail, please see section 5 of this Explanatory Memorandum.

17. NMG Consulting, December 2022; Vanguard internal market research.



The key differences in respect of voting rights, withdrawal rights and cooling-off rights are summarised in Table 1 below.

**Table 1: Summary of differences between Vanguard Personal Investor and investing directly into a Wholesale Fund**

	INVESTING DIRECTLY IN A WHOLESALE FUND	INVESTING IN A WHOLESALE FUND THROUGH VANGUARD PERSONAL INVESTOR PLATFORM	WHAT THIS MEANS FOR YOU IF THE PROPOSAL IS IMPLEMENTED
<b>Voting rights</b>	<p>You are entitled to exercise any voting rights, directly participate in member proposals and attend member meetings in relation to a Wholesale Fund.</p>	<p>You do not have any direct voting rights in relation to your investments held through your Vanguard Personal Investor Account.</p> <p>However, the board of Vanguard has approved an updated Vanguard Personal Investor Voting Policy, that is attached at Annexure D, and will become effective prior to the Implementation Commencement Date. Under the updated Vanguard Personal Investor Voting Policy:</p> <ul style="list-style-type: none"> <li>• you will receive information from Vanguard about any matter to be voted on by holders at a meeting of members; and</li> <li>• you will have the ability to direct Vanguard, in respect of the number of interests you beneficially hold in a Wholesale Fund, as to how to vote at a meeting of members of the Wholesale Fund.</li> </ul> <p>Additional information about the updated Vanguard Personal Investor Voting Policy can be found at section 3.18 of this Explanatory Memorandum.</p>	<p>After the Vanguard Personal Investor Voting Policy is updated prior to the Implementation Commencement Date, there will be important differences for you in terms of voting rights as you will no longer have any direct voting rights in relation to your investment in a Wholesale Fund held through your Vanguard Personal Investor Account.</p> <p>However, under the Proposal and in accordance with the updated Vanguard Personal Investor Voting Policy, we will provide you with information about any meetings of members of a Wholesale Fund which you are invested in through your Vanguard Personal Investor Account and will seek voting directions from you in respect of those meetings.</p> <p>The key difference however will be that when invested directly in a Wholesale Fund, you may exercise your right to vote directly, whereas when investing through a Vanguard Personal Investor Account, you are required to direct Vanguard to vote on your behalf.</p> <p>In addition, unlike direct rights provided under the Corporations Act, the Vanguard Personal Investor Voting Policy may be changed from time to time by Vanguard.</p>
<b>Requisition of a meeting of members</b>	<p>You are entitled to directly exercise a right under the Corporations Act to requisition a meeting of scheme members to vote on a resolution.</p>	<p>You do not have any direct rights to call for a meeting of members of a Wholesale Fund.</p> <p>However, under the updated Vanguard Personal Investor Voting Policy, that is attached at Annexure D, and will become effective prior to the Implementation Commencement Date, you will be able to instruct Vanguard to requisition a meeting of scheme members and Vanguard will act on properly provided instructions as soon as reasonably practicable, provided that such instructions are (as determined by Vanguard, acting reasonably) in accordance with the Corporations Act and the constitutional documents of the Wholesale Fund and otherwise not contrary to any law and will not result in a breach of law.</p> <p>Additional information about the updated Vanguard Personal Investor Voting Policy can be found at section 3.18 of this Explanatory Memorandum.</p>	<p>After the Vanguard Personal Investor Voting Policy is updated prior to the Implementation Commencement Date, there will be important differences for you in terms of your right to requisition a meeting of members of a Wholesale Fund as you will no longer have any direct rights to requisition a meeting of members of a Wholesale Fund to vote on a resolution.</p> <p>However, under the Proposal and in accordance with the updated Vanguard Personal Investor Voting Policy, you will have the ability to direct Vanguard, to call for a meeting of members of a Wholesale Fund.</p> <p>The key difference however will be that when invested directly in a Wholesale Fund, you may exercise your right to requisition a meeting of scheme members directly, whereas when investing through a Vanguard Personal Investor Account, you are required to direct Vanguard to requisition a meeting of scheme members on your behalf. Any meeting requisition instructions must satisfy certain criteria (as determined by Vanguard acting reasonably) and are subject to Vanguard acting on properly provided instructions as soon as reasonably practicable once received. In contrast to the Corporations Act, the Vanguard Personal Investor Voting Policy does not provide for specific timing requirements.</p> <p>In addition, unlike direct meeting requisition rights provided under the Corporations Act, the Vanguard Personal Investor Voting Policy may be changed from time to time by Vanguard.</p>

	INVESTING DIRECTLY IN A WHOLESALE FUND	INVESTING IN A WHOLESALE FUND THROUGH VANGUARD PERSONAL INVESTOR PLATFORM	WHAT THIS MEANS FOR YOU IF THE PROPOSAL IS IMPLEMENTED
<b>Application and Withdrawal rights</b>	<p>You will be notified directly by the product issuer if the product issuer is required to give you the option of electing to withdraw your application and receive a refund. Withdrawal rights available under the Corporations Act will generally be available to you. You may request a redemption by submitting an instruction directly to a Wholesale Fund.</p>	<p>Where practicable we will notify you of any communication received from a product issuer in respect of an investment you have applied for through Vanguard Personal Investor that gives you the option of electing to withdraw your application and receive a refund and provide any accompanying disclosure documents. If you wish to exercise those rights we'll generally act on any instruction received from you provided the instruction is received by the required cut-off time.</p> <p>Withdrawal rights will not be available to you directly. Instead, you may request a redemption from a Wholesale Fund by submitting an electronic redemption instruction to Vanguard as the Vanguard Personal Investor Operator to be actioned on your behalf.</p>	<p>You will be able to make redemption requests in relation to your investment in a Wholesale Fund held in your Vanguard Personal Investor Account at any time by submitting an electronic redemption instruction to Vanguard.</p> <p>There will be no practical difference for you in terms of the right to withdraw an application because the Proposal does not alter any application withdrawal rights which may have been available to you.</p>
<b>Cooling-off rights</b>	<p>Cooling-off rights may be available to retail investors in respect of new investments in a Wholesale Fund.</p>	<p>Cooling-off rights do not apply to investments held through Vanguard Personal Investor.</p>	<p>The Proposal does not alter any cooling-off rights which may have been available to retail investors when units in the Wholesale Fund were initially acquired.</p> <p>No cooling-off rights will apply to additional investments you may make in the Wholesale Funds through Vanguard Personal Investor.</p>

## 2. Reasons to Vote For and Against the Proposal

### 2.1 Reasons to vote FOR the Proposal

Reasons to vote in favour of the Proposal include the following:

1. The Directors of Vanguard believe that the Proposal is in the best interests of Members of each of the Wholesale Funds taking into account the advantages, disadvantages and risks of the Proposal as well as the alternative proposals considered, the Opt Out mechanism and the differences between investing through an investment platform like Vanguard Personal Investor and investing directly in our funds. The benefits of transferring to Vanguard Personal Investor will only apply to Participating Ordinary Members under the Proposal, whereas the operational efficiency improvements for each Wholesale Fund from the Proposal will benefit Members of the Wholesale Funds as a whole.
2. Vanguard Personal Investor has been established specifically to meet the current and future needs of investors. Some of the benefits of holding your Ordinary Units through your Vanguard Personal Investor Account include:
  - you will be able to transact and update information with Vanguard through a digital straight through process, as compared to the current experience which is highly manual and often requires the completion of a form. This will improve the ease of transacting with us and reduce the risk of errors and delays occurring in the processing of these instructions;
  - you will receive a modern digital experience with the ability to manage your investments in real time through online access using Vanguard Online and the Vanguard Australia mobile app (iOS and Android). For example, you will be able to make redemption requests in relation to your investments in your Vanguard Personal Investor Account at any time by submitting an electronic redemption instruction to Vanguard;
  - you can invest in a wide range of Vanguard Funds (including the Vanguard Wholesale Funds and Vanguard ETFs) and ASX listed shares in a single online member account;
  - you will receive consolidated investment and tax reporting; and
  - there are currently no account fees for Vanguard Wholesale Fund investments and free brokerage to buy Vanguard ETFs<sup>18</sup> (and there is no intention to introduce such fees).

Additional information about Vanguard Personal Investor is set out in section 4 of this Explanatory Memorandum.

3. If you participate in the Proposal, Vanguard considers that you will not realise any capital gains or losses on the transfer of your Ordinary Units into your Vanguard Personal Investor Account as, amongst other things, there is no change to your beneficial ownership of Ordinary Units in the Wholesale Funds. Please refer to section 5 of this Explanatory Memorandum for further detail about the Australian tax implications to you of the Proposal.

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18. A \$9 brokerage fee applies to sell Vanguard ETFs.

4. Participating Ordinary Members will maintain the same investment exposure and experience and the same investment performance as if they remained invested directly in the Wholesale Funds. The fees payable by all Members will not change as a result of the implementation of the Proposal. There are no additional platform fees or charges associated with establishing your Vanguard Personal Investor Account or holding your Wholesale Fund Units via Vanguard Personal Investor. The Proposal does not change the beneficial ownership for Participating Ordinary Members of their Ordinary Units in the Wholesale Funds. Non-Affected Members, Ordinary Members who Opt Out of the transfer to Vanguard Personal Investor under the Proposal and Foreign Resident Members will not be impacted by the implementation of the Proposal.

## 2.2 Reasons to vote AGAINST the Proposal

Reasons to vote against the Proposal include the following:

1. You may disagree with the Directors of Vanguard that the Proposal is in the best interests of Members of each of the Wholesale Funds because you prefer the way your direct investment in the Wholesale Funds works today rather than holding units in the Wholesale Funds through a Vanguard Personal Investor Account. Section 4.2 of this Explanatory Memorandum sets out in detail the differences between holding Wholesale Fund Unit's through an investment platform like Vanguard Personal Investor and investing directly into a Wholesale Fund. Section 1.7 also sets out a summary of the key differences in respect of your access to voting rights, withdrawal rights and cooling-off rights. In addition, Participating Ordinary Members who do not currently transact online (via the Vanguard Online Portal) will be required to do so once the Proposal is implemented, which they may not wish to do.  
  
Ordinary Members who do not wish to participate in the Proposal can elect to Opt Out by notifying Vanguard prior to 7pm on Sunday 13 August 2023. Please see section 3.6 of this Explanatory Memorandum for further information about how to Opt Out.
2. Vanguard Personal Investor is an online investment service and therefore there is a risk that there may be times when the service is not available or operates with limited functionality and you may not be able to transact on your investments in a timely manner. We have appropriate controls in place to mitigate these risks and may provide alternative means of transacting, but we are not liable for any loss incurred should you be unable to perform a transaction during a period of service interruption. In addition, there are other risks related to investing through Vanguard Personal Investor as set out in section 4.3 of the Explanatory Memorandum which you may consider to be disadvantages of the Proposal being implemented.
3. If the Proposal is implemented, Small Balance Account Holders (ie an Ordinary Member who as at the Implementation Record Time holds less than one (1) Ordinary Unit) will have their Ordinary Units in the Wholesale Funds redeemed for cash, which they may not wish to do. This may result in those Small Balance Account Holders realising any capital gains and losses on their Ordinary Units in the Wholesale Fund from a tax perspective.
4. The Wholesale Funds will bear a proportion of costs (approximately 47% of the total costs) associated with the Proposal as set out in section 3.17. Our reasonable estimate of the costs associated with the Proposal for each Wholesale Fund for the financial year ending 30 June 2024 is 0.0014% of the net asset value of the relevant Wholesale Fund<sup>19</sup>. To illustrate, if you have an investment of \$500,000 in a Wholesale Fund, the total additional cost that you will incur in relation to that Wholesale Fund will be approximately \$7.03 in the 2023/2024 financial year. In respect of the Vanguard Global Infrastructure Index Fund and Vanguard International Small Companies Index Fund (in respect of which ASIC relief to facilitate a meeting of only Ordinary Members was not able to be obtained), any costs associated with providing members of the Non-Affected Classes the opportunity to vote on the Proposal will be borne by Vanguard.

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19. Based on AUM as at 30 April 2023

For completeness, the costs of the Proposal will be borne by each Wholesale Fund (as set out above) whether the Proposal is approved or not approved by Voting Members. Please see section 3.17 of this Explanatory Memorandum for further information about the costs of the Proposal. Vanguard has the ability to make changes to the Vanguard Personal Investor service and/or fees in the future (like it does in relation to a Wholesale Fund), which may result in you incurring additional fees and charges. Vanguard does not have any intention of changing the Vanguard Personal Investor fees or charges in respect of holding a Wholesale Fund through our platform.

# 3. Additional Information about the Resolutions and the Implementation of the Proposal

## 3.1 The Resolutions being proposed

For each Wholesale Fund, in order for the Proposal to proceed, two Resolutions must be passed by Voting Members of that Wholesale Fund. These Resolutions are set out at section 1 of the Notice of Meeting and are summarised below.

### (a) **Resolution 1: Approval of Amendments of the Constitutions to facilitate the Proposal**

The first Resolution (being a special resolution) relates to the amendment of the Constitution of each Wholesale Fund by inserting a new clause as set out in Annexure B. The Amendments to the Constitutions are proposed in order to facilitate the implementation of the Proposal.

Resolution 1 also authorises Vanguard, in its capacity as the responsible entity of the relevant Wholesale Fund, to execute and lodge with ASIC a supplemental deed in relation to the Amendments to each Constitution and to authorise each director or company secretary of Vanguard to do all things which it considers necessary or incidental to give effect to the amendment of each Constitution and lodgement of the supplemental deeds.

Please refer to section 3.2 of the Explanatory Memorandum for a detailed summary of the Amendments to each Wholesale Fund's Constitution.

In order for Resolution 1 to be passed in respect of a Wholesale Fund, at least 75% of the total number of votes that are cast by Voting Members at the Meeting who are entitled to vote must be cast in favour of the Resolution.

### (b) **Resolution 2: Approval of the Proposal**

The second Resolution (being an ordinary resolution) relates to the approval of the Proposal for all purposes.

In order for Resolution 2 to be passed in respect of a Wholesale Fund, at least 50% of the total number of votes that are cast by Voting Members at the Meeting who are entitled to vote must be cast in favour of the Resolution.

## 3.2 The effect of the Amendments to the Constitutions

If the Resolutions in respect of a Wholesale Fund are passed, and the conditions set out in section 3.15 of the Explanatory Memorandum are satisfied, the Constitution of each Wholesale Fund will be amended by inserting a new proposed clause (as set out in Annexure B) to facilitate implementation of the Proposal by Vanguard. These Amendments will have the following effect:

- (a) **Power to implement the Proposal:** Vanguard will be empowered to do all things which it considers necessary, desirable or incidental for the purpose of implementing or giving effect to the Proposal including each of the implementation steps set out in paragraph (c) at section 3.3 of this Explanatory Memorandum.
- (b) **Implementation of the Proposal:** the Participating Ordinary Members and Vanguard must do all things and execute all deeds, applications, forms and other documents which Vanguard considers necessary, desirable or incidental to implement or give effect to the Proposal. The Amendments also provide for certain other matters in relation to the implementation of the Proposal, including for example that Participating Ordinary

Members who obtain a new Vanguard Personal Investor Account (through which their Ordinary Units in the Wholesale Fund will be held) agree to become an account holder of such account. Participating Ordinary Members who have an existing Vanguard Personal Investor Account that is linked to their investment in the Wholesale Funds and is capable of being used for implementation of the Proposal consent to Vanguard using their existing account for the purposes of implementing the Proposal, unless they notify Vanguard otherwise.

Additionally, each Participating Ordinary Member will be required to provide Vanguard with information requested by Vanguard that it reasonably requires to comply with any law in respect of the Proposal or the administration of the Member's investment in the Ordinary Units of the Wholesale Fund that will be held through their Vanguard Personal Investor Account, including without limitation information relating to any anti-money laundering requirements and counter-terrorism financing (AML/CTF) and sanctions, and anti-bribery and corruption laws but excluding TFN Information. Information required to be provided to Vanguard in accordance with applicable AML/CTF obligations may also extend to information Vanguard is required to collect and verify in relation to legal personal representatives or anyone acting on a Participating Ordinary Member's behalf, or any beneficial owner(s) of the Participating Ordinary Member. Please see section 3.12 for further information in relation to the provision of information.

- (c) **Appointment of Vanguard as agent and attorney:** each Participating Ordinary Member will appoint Vanguard as their agent and attorney to effect the implementation of the Proposal, including to execute all deeds, applications, forms and other documents and to do all things which Vanguard considers necessary, desirable or incidental to be completed executed or done on behalf of Participating Ordinary Members to effect the Proposal, without needing further authority or approval from any Participating Ordinary Member. In particular, each Participating Ordinary Member will appoint Vanguard as agent and attorney to do the following on their behalf:
- if the Participating Ordinary Member does not as at the Implementation Record Time have a Vanguard Personal Investor Account, or their Vanguard Personal Investor Account is not linked to their existing account or is not able to be used for the Proposal, or they have notified Vanguard that they do not wish for their existing Vanguard Personal Investor Account to be used, to apply to Vanguard to open a Vanguard Personal Investor Account in the Participating Ordinary Member's name to be used for the purpose of implementing the Proposal. If the Participating Ordinary Member does have a Vanguard Personal Investor Account that is linked to their existing account and is able to be used for the Proposal as at the Implementation Record Time, the Participating Ordinary Member consents to Vanguard using their Vanguard Personal Investor Account for the purpose of implementing the Proposal (unless they notify Vanguard otherwise); and
  - transfer the Participating Ordinary Member's Ordinary Units in the Wholesale Fund to Vanguard, as operator of Vanguard Personal Investor, to be held in the Participating Ordinary Member's Vanguard Personal Investor Account (being either the account that Vanguard opened for them or their existing account as described above) on their behalf.
- (d) **Consent to use of information:** each Participating Ordinary Member will consent to Vanguard as the responsible entity of the Wholesale Funds, disclosing to Vanguard as operator of Vanguard Personal Investor, and to Vanguard as operator of Vanguard Personal Investor, receiving, using and holding, the information (including any tax information but excluding TFN Information) that it currently holds about each Participating Ordinary Member in relation to their investment in the Wholesale Funds (in its capacity as responsible entity of the Wholesale Funds) which Vanguard considers is necessary, desirable or incidental to the Proposal or to the administration of the Participating Ordinary Member's investment in the Wholesale Funds, including without



limitation information in relation to any anti-money laundering, FATCA and CRS requirements but excluding TFN Information. Information that may be disclosed by Vanguard (in its capacity as responsible entity of the Wholesale Funds) to be received, used and held by Vanguard as operator of Vanguard Personal Investor in relation to any applicable anti-money laundering and counter-terrorism financing obligations may also extend to information in relation to legal personal representatives or anyone acting on a Participating Ordinary Member's behalf, or any beneficial owner(s) of the Participating Ordinary Member. Please see section 3.12 for further information in relation to the consent to use of information.

- (e) **Consent to use TFN Information:** each Participating Ordinary Member will also consent to Vanguard as operator of Vanguard Personal Investor recording, using and disclosing the third parties, TFN Information that it currently holds about each Participating Ordinary Member in relation to their investment in the Wholesale Funds (in its capacity as responsible entity of the Wholesale Funds) to the extent that the TFN Information is necessary or useful to facilitate Vanguard's administration of your investment and compliance with tax obligations. A Participating Ordinary Member can withdraw their consent to their TFN Information being used by Vanguard as operator of Vanguard Personal Investor by notifying us that it does not consent for its TFN Information to be so used or disclosed. Please see section 3.13 for further information in relation to the consent to use TFN Information including details of how you may notify us that you would like to withdraw your consent.
- (f) **Transfer of FATCA/CRS Self-Certifications:** each Participating Ordinary Member that has previously provided a FATCA/CRS Self-Certification to the responsible entity of a Wholesale Fund consents to that Self-Certification being provided to and used by Vanguard in its capacity as operator of Vanguard Personal Investor for the purposes of the Vanguard Personal Investor Account of the Participating Ordinary Member. The Participating Ordinary Member is taken to declare that the information provided in the Self-Certification remains correct at the time the Proposal is implemented. If there is any change to the Participating Ordinary Member's circumstances which causes the previous Self-Certification to be incorrect or incomplete, the Member should notify Vanguard. Please see section 3.12 for further information.
- (g) **Migration of Member Elections and Financial Advisor Access:** each Participating Ordinary Member will consent to Vanguard (as operator of Vanguard Personal Investor) migrating all Member Elections (including Financial Advisor Access) to Vanguard Personal Investor where such Member Elections are compatible with Vanguard Personal Investor. Please see section 3.10 of this Explanatory Memorandum for further information in relation the migration of Member Elections (including Financial Advisor Access).
- (h) **Migration of Authorised Representatives, Power of Attorney and Signatory arrangements:** each Participating Ordinary Member will consent to Vanguard (as operator of Vanguard Personal Investor) migrating their authorised representative appointments, powers of attorney and other signatory arrangements to Vanguard Personal Investor where such appointments and arrangements are compatible with Vanguard Personal Investor, unless the Participating Ordinary Member notifies Vanguard that they do not consent for this to occur. Please see section 3.11 of this Explanatory Memorandum for further information in relation the migration of these appointments and arrangements.
- (i) **Costs, liability and indemnity:** Vanguard will be entitled to be reimbursed out of the assets of the Wholesale Fund for any costs that are reasonably and properly incurred by it in connection with the Proposal and its implementation and that are capable of being paid or reimbursed out of the assets of the Wholesale Fund, and where a Wholesale Fund has Non-Affected Units on issue (except in the case of the Vanguard Global Infrastructure Index Fund and Vanguard International Small Companies Index Fund), limited to an amount equal to the net asset value of the Ordinary Class.

Vanguard will also be entitled to be indemnified out of the assets of the Wholesale Fund against any claim, demand, cost, expense, damage, loss and liability in relation to the Proposal, provided it acts without fraud, negligence or breach of trust, that is capable of being indemnified out of the Assets of the Wholesale Fund, and where a Wholesale Fund has Non-Affected Units on issue (except in the case of the Vanguard Global Infrastructure Index Fund and Vanguard International Small Companies Index Fund), limited to an amount equal to the net asset value of the Ordinary Class. Any such amounts reimbursed or indemnified out of the assets of the Wholesale Fund will, where relevant, be treated as class expenses under the existing terms of the Wholesale Fund Constitutions and only borne by the Ordinary Class.

### 3.3 The Implementation Steps

In respect of each Wholesale Fund, the steps to implement the Proposal are set out below:

- (a) **Meeting of Members:** on Tuesday 15 August 2023, a Meeting of Voting Members for the Wholesale Fund will be convened, where Voting Members will consider whether to approve:
  - (1) a Resolution (being a special resolution) to amend the Constitution of the Wholesale Fund to implement the Proposal; and
  - (2) a Resolution (being an ordinary resolution) to approve the Proposal.
- (b) **Constitution Amendments:** If the Resolutions for a Wholesale Fund are passed, a copy of the Amendments will be lodged with ASIC in relation to the amendment of the Constitution of the Wholesale Fund.
- (c) **Implementation:** In respect of each Wholesale Fund, if all conditions relating to the Proposal as set out in section 3.15 of the Explanatory Memorandum are satisfied, the following will occur commencing on the Implementation Commencement Date:
  - (1) **Redemption of Small Balance Account Holders:** Vanguard will redeem the Ordinary Units of Small Balance Account Holders for a cash payment equivalent to the redemption price of their Ordinary Units on the date of redemption. For further detail, please refer to section 3.8 of the Explanatory Memorandum; and
  - (2) **Transfer to Vanguard Personal Investor:** Vanguard, under the power of attorney provided to us by the Participating Ordinary Members under the terms of the Amendments, will on behalf of Participating Ordinary Members:
    - if you don't already have a Vanguard Personal Investor Account or if you have a Vanguard Personal Investor Account, but it is not linked to your existing account or able to be used for implementation or you do not consent to Vanguard using it for the purposes of implementing the Proposal, open a Vanguard Personal Investor Account for you. If you do already have a Vanguard Personal Investor Account linked to your existing account that is capable of being used for implementation of the Proposal, under the terms of the Amendments, Vanguard will use this account for the purposes of implementing the Proposal, unless you notify us otherwise; and
    - transfer your Ordinary Units in the relevant Wholesale Fund(s) to Vanguard as operator of Vanguard Personal Investor to be held in your Vanguard Personal Investor Account (being either the account that Vanguard opened for you or your existing account as described above) on your behalf.

Following the implementation of the Proposal, each Wholesale Fund will remain a registered managed investment scheme under chapter 5C of the Corporations Act. There is no intention that any of the Wholesale Funds will be deregistered following the implementation of the Proposal.

### 3.4 What if the Resolutions are passed?

If the Resolutions in respect of a Wholesale Fund are passed, we will have the ability to take the steps outlined in section 3.3 of this Explanatory Memorandum in respect of the Wholesale Fund.

**Also, if the Resolutions in respect of a Wholesale Fund are passed, then it will be binding on every Voting Member of that Wholesale Fund (whether or not the Voting Member voted, and whether or not the Voting Member voted in favour of or against the Resolutions set out in the Notice of Meeting).**

### 3.5 What if the Resolutions are not passed?

If the Resolutions are not passed in respect of a Wholesale Fund, we will not have the ability to take the steps outlined in section 3.3 of this Explanatory Memorandum in respect of the Wholesale Fund and Ordinary Members will remain invested in the Wholesale Fund through the current legal structure. In such a scenario, an alternative proposal may be put to you or, in accordance with the Wholesale Fund Constitutions, we may make further changes to the Wholesale Funds such as closing the Wholesale Funds to any additional investments by non-institutional investors.

### 3.6 Opt Out

Ordinary Members may elect to Opt Out of the transfer to Vanguard Personal Investor that will occur under the Proposal. Ordinary Members who elect to Opt Out will continue to hold the Ordinary Units in the Wholesale Funds as they are currently held.

Ordinary Members who wish to Opt Out of the transfer to Vanguard Personal Investor under the Proposal must notify Vanguard of their decision to Opt Out by 7pm on Sunday 13 August 2023 (**Opt Out Cut Off Time**). However, in certain exceptional circumstances, Vanguard may accept an Opt Out notification after the specified cut-off time. For example, exceptional circumstances may include:

- (a) where an Opt Out notification is received prior to the Opt Out Cut Off Time contains a minor or administrative error, and that minor or administrative error is capable of being clarified or amended;
- (b) where an Opt Out notification is sent to Vanguard prior to the Opt Out Cut Off Time but is received after Opt Out Cut Off Time, where the delay is outside your or our control (e.g., postal delays); or
- (c) where you have spoken to or contacted us about opting out prior to the Opt Out Cut Off Time, but the Opt Out notification is received after the Cut-off Time.

Ordinary Members may provide notice of their intention to Opt Out by completing and returning to Vanguard the Opt Out Form attached as Annexure E (in the case of retail investors) or by providing to Vanguard confirmation of their intention to Opt Out (in the case of institutional investors).

Ordinary Members who are institutional investors and provide trade instructions using the Calastone Global Trading Platform system should Opt Out of the transfer to Vanguard Personal Investor under the Proposal.

Institutional investors are generally considered to be regulated entities or institutions undertaking investment activities on behalf of others (such as a holder of an Australian Financial Services License, an APRA regulated superannuation fund, an investment platform or a registered Management Investment Schemes), or any other entity type deemed institutional by Vanguard.

Other investors who are Ordinary Members and who hold Ordinary Units in the Wholesale Funds may also decide to Opt Out of the transfer to Vanguard Personal Investor under the Proposal, but Vanguard believes these investors will be better served on the Vanguard Personal Investor platform. From an operational perspective, if the Proposal is implemented,

Vanguard intends to migrate these investors who elect to Opt Out (and are currently provided administration and registry services by FNZ Limited) to Link Market Services to provide administration and registry services in relation to their Ordinary Units in the Wholesale Funds. This change in administration and registry services will not materially impact investors (including, from a transactional and reporting perspective), however these investors will not have access to Vanguard Personal Investor in respect of their existing Wholesale Fund investment(s).

Ordinary Members who Opt Out of the transfer to Vanguard Personal Investor that will occur under the Proposal will be entitled to vote on the Resolutions.

### **3.7 Foreign Resident Members**

Foreign Resident Members will not participate in the transfer to Vanguard Personal Investor that will occur under the Proposal.

A Foreign Resident Member is an Ordinary Member as at the Implementation Record Time whose address is shown as a place outside of Australia in the relevant Wholesale Fund's Unit register (**Foreign Resident Member**).

Restrictions in foreign countries make it impractical or unlawful for membership in Vanguard Personal Investor to be offered to Ordinary Members in those countries.

Therefore, while Foreign Resident Members are entitled to vote on the Resolutions, they will not participate in the transfer to Vanguard Personal Investor that will occur under the Proposal. Instead, Foreign Resident Members will continue to hold their Ordinary Units in the Wholesale Funds in the same way in which they are currently held.

From an operational perspective, if the Proposal is implemented, Vanguard intends to migrate Foreign Resident Members (who are currently provided administration and registry services by FNZ Limited) to Link Market Services to provide administration and registry services in relation to their Ordinary Units in the Wholesale Funds. This change in administration and registry services will not materially impact Foreign Resident Members (including, from a transactional and reporting perspective).

The Directors believe that treatment of Foreign Resident Members in this way is in the best interests of Members of each Wholesale Fund as a whole, having regard to the rights and interests of Members of each Wholesale Fund. We have sought and received relief from ASIC in respect of the different treatment of Foreign Resident Members. Please refer to Annexure C for a summary of the ASIC Relief sought.

Please contact us via secure message through your Vanguard Online Secure Message Portal or by completing the form available at [www.vanguard.com.au/personal/support/forms-and-notices](http://www.vanguard.com.au/personal/support/forms-and-notices) by the Implementation Record Time to update your details if your address has changed.

### **3.8 Redemption of Small Balance Account Holders**

Small Balance Account Holders will not participate in the transfer to Vanguard Personal Investor that will occur under the Proposal.

Rather, as part of the implementation of the Proposal, we will redeem the Ordinary Units of Small Balance Account Holders.

A Small Balance Account Holder is an Ordinary Member who as at the Implementation Record Time holds less than one (1) Ordinary Unit.

Small Balance Account Holders will be entitled to vote on the Resolutions. However, instead of their Ordinary Units being transferred to Vanguard Personal Investor under the Proposal, their Ordinary Units in the Wholesale Funds will be redeemed at the redemption price for those Ordinary Units in the Wholesale Funds on the date of redemption and they will receive a cash payment of that value. The redemption price is calculated by dividing the net asset value of the ordinary class of units in the Wholesale Fund by the number of Ordinary

Units on issue, on the date of the redemption. The redemption of Ordinary Units held by Small Balance Account Holders will occur prior to the transfer of Ordinary Units held by Participating Ordinary Members to Vanguard Personal Investor.

### **3.9 Non-Affected Members**

The Proposal will only apply to, and be implemented in respect of, Ordinary Units in the Wholesale Funds. The Proposal will not apply to or be implemented in respect of Non-Affected Units. Non-Affected Units are ETF Class Units, NZD Hedged Units and in the case of the Vanguard Ethically Conscious International Shares Index Fund, also includes AUD Hedged Units. Please refer to Annexure A which lists the relevant classes of units for each Wholesale Fund.

This means that Non-Affected Members (being Members who hold Non-Affected Units in a Wholesale Fund) will not participate in the Proposal if it is implemented. Rather, Non-Affected Members will continue to hold their Units as they are currently held.

Except in the case of Vanguard Global Infrastructure Index Fund and Vanguard International Small Companies Index Fund (in respect of which ASIC relief to facilitate a meeting of only Ordinary Members, was not able to be obtained), Non-Affected Members are not entitled to vote on the Proposal. We have sought and received relief from ASIC in relation to certain relevant Wholesale Funds so that the Constitution Amendments may be approved by a special resolution of Ordinary Members (as opposed to requiring approval by a special resolution of all Members). Please see Annexure C for a summary of the ASIC relief obtained.

### **3.10 Migration of Member Elections, Financial Advisor Access and Margin Loan Accounts**

#### **Member Elections**

As a Participating Ordinary Member in a Wholesale Fund you may have made certain elections in respect of your Ordinary Unit holding. To facilitate a streamlined investor experience for you, Vanguard, as operator of Vanguard Personal Investor, will migrate the following member elections where they are compatible with Vanguard Personal Investor:

- distributions being reinvested or made in cash;
- whether certain documents in respect of your investment will be sent in electronic form or as a paper copy;
- an opt-out of marketing materials, and
- granting your financial advisor access to view your investment information directly or through data aggregators, which can include your name, fund names, transactions and portfolio holdings (**Financial Adviser Access**),

(together, the **Member Elections**).

Under the terms of the Amendments, you consent to Vanguard, as responsible entity of the Wholesale Funds, disclosing and providing to, Vanguard, as operator of Vanguard Personal Investor, your relevant Member Elections. You also consent to Vanguard, as operator of Vanguard Personal Investor, receiving your relevant Member Elections, and where your Member Elections are compatible with Vanguard Personal Investor, using and applying your Member Elections to your investment in the Wholesale Funds held through your Vanguard Personal Investor Account.

If the Proposal is implemented, we will contact you if any of your elections are not compatible with Vanguard Personal Investor and are therefore not migrated.

Where an election has been migrated to Vanguard Personal Investor, you can change the election by contacting us via secure message through your Vanguard Online Secure Message Portal or by completing the form available at [www.vanguard.com.au/personal/support/forms-and-notices](http://www.vanguard.com.au/personal/support/forms-and-notices).

### **Margin Loan Accounts**

Margin loan account holders in the Wholesale Funds are currently not permitted to redeem Ordinary Units on their own instruction due to standard requirements imposed by the relevant lender to protect the assets as security for the loan. This redemption restriction will continue to apply to margin loan account holders who hold their Ordinary Units in the Wholesale Funds through Vanguard Personal Investor, such that the lender will need to instruct Vanguard on any redemptions until the margin loan is removed from the account.

## **3.11 Existing Authorised Representative, Power of Attorney and Signatory arrangements**

As a Participating Ordinary Member in a Wholesale Fund, you may have appointed an authorised representative(s) (including, but not limited to, a financial advisor) or an attorney or may have in place other signatory arrangements to operate your account. To facilitate a streamlined investor experience for you, Vanguard, as operator of Vanguard Personal Investor, will migrate some of these arrangements where they are compatible with Vanguard Personal Investor.

If the Proposal is implemented, we will provide you with more information and any action you need to take. If you do not consent to Vanguard migrating these appointment(s) or arrangement(s) to your Vanguard Personal Investor Account please let us know prior to the Implementation Commencement Date (which will be communicated to you end of Q3 2023) by contacting a member of our team on 1300 655 101 between 8am – 6pm (AET), Monday to Friday. (If you are calling from outside Australia, call +61 3 8888 3888).

### **Authorised Representatives**

Participating Ordinary Members who have appointed an authorised representative(s) (including, but not limited to, a financial advisor) to operate their account (other than under a power of attorney arrangement) will have their authorised representative appointment(s) migrated by Vanguard, as operator of Vanguard Personal Investor, to their Vanguard Personal Investor Account where their authorised representative appointment is compatible with Vanguard Personal Investor.

### **Power of Attorney**

Participating Ordinary Members who have appointed an attorney (under a Power of Attorney) to operate their account will not (unless the Power of Attorney is compatible with Vanguard Personal Investor) have these attorney appointments migrated by Vanguard, as operator of Vanguard Personal Investor, to their Vanguard Personal Investor Account as Vanguard Personal Investor has different Power of Attorney requirements compared to our funds.

Participating Ordinary Members (or their attorneys) who wish to operate their Vanguard Personal Investor Account using a Power of Attorney arrangement must (unless the Power of Attorney is compatible with Vanguard Personal Investor) complete a new appointment form to comply with the Vanguard Personal Investor terms and conditions. You (or your attorney, as applicable) can do this by completing the relevant form available at [www.vanguard.com.au/personal/support/forms-and-notices](http://www.vanguard.com.au/personal/support/forms-and-notices).

### **Other signatory arrangements**

Participating Ordinary Members who currently have other customised signatory arrangements in place for their Ordinary Units in the Wholesale Funds, will not (unless the signatory arrangements are compatible with Vanguard Personal Investor) have these existing signatory arrangements migrated by Vanguard, as operator of Vanguard Personal Investor, to their new Vanguard Personal Investor Account as Vanguard Personal Investor has different signatory requirements compared to our funds.

For a limited period of time, we will provide assistance to Participating Ordinary Members after the Implementation Completion Date to ensure these Participating Ordinary Members smoothly transition to their new Vanguard Personal Investor Account and maintain transaction capability.



Under the terms of the Amendments, you consent (unless you have notified us otherwise) to Vanguard, as responsible entity of the Wholesale Funds, disclosing and providing to, Vanguard, as operator of Vanguard Personal Investor, your relevant authorised representative or attorney appointments and other signatory arrangements. You also consent (unless you have notified us otherwise) to Vanguard, as operator of Vanguard Personal Investor, receiving these appointments and signatory arrangements, and to the extent they are compatible with Vanguard Personal Investor, using and applying these appointments and arrangements to your investment in the Wholesale Funds held through your Vanguard Personal Investor Account.

### **3.12 Provision of information and consent to use information**

In our capacity as responsible entity of the Wholesale Funds, we have access to certain information about you and your investment in the Wholesale Funds that may be useful to allow us to properly administer your investment in the Wholesale Fund that will be transferred to Vanguard, in its separate capacity as operator of Vanguard Personal Investor, to be held on your behalf in your Vanguard Personal Investor Account (if you are a Participating Ordinary Member).

Under the terms of the Amendments to the Constitutions, aside from the TFN Information which is discussed in section 3.13 below, you (if you are a Participating Ordinary Member) will consent to Vanguard (in its capacity as responsible entity of the Wholesale Funds) disclosing to Vanguard as operator of Vanguard Personal Investor and to Vanguard as operator of Vanguard Personal Investor receiving, using and holding, information that Vanguard (as responsible entity of the Wholesale Funds) holds in relation to you and your Ordinary Units, to the extent that the information is necessary, desirable or incidental to the implementation of the Proposal or to otherwise facilitate Vanguard's administration of your Vanguard Personal Investor Account (including without limitation information in relation to any anti-money laundering and counter-terrorism financing (AML/CTF) and sanctions, and anti-bribery and corruption laws, and FATCA and CRS requirements but excluding TFN Information). Information that may be disclosed by Vanguard (in its capacity as responsible entity of the Wholesale Funds) to be received, used and held by Vanguard as operator of Vanguard Personal Investor in relation to any applicable anti-money laundering and counter-terrorism financing obligations may also extend to information in relation to legal personal representatives or anyone acting on a Participating Ordinary Member's behalf, or any beneficial owner(s) of a Participating Ordinary Member.

You may also be required to provide Vanguard with such information that Vanguard may reasonably require in order to comply with any laws in respect of the Proposal (including for example information in relation to anti-money laundering and counter-terrorism financing (AML/CTF) and sanctions, and anti-bribery and corruption laws, and FATCA and CRS requirements, but excluding TFN Information) or to meet its ongoing compliance, reporting and other obligations under FATCA and CRS in respect of your Vanguard Personal Investor Account. Information required to be provided to Vanguard in relation to any anti-money laundering and counter-terrorism financing obligations may also extend to information Vanguard is required to collect and verify in relation to legal personal representatives or anyone acting on a Participating Ordinary Member's behalf under a Power of Attorney or otherwise, or any beneficial owner(s) of the Participating Ordinary Member.

If you are a Participating Ordinary Member and you have previously provided a FATCA/CRS Self-Certification to Vanguard as responsible entity of a Wholesale Fund, you consent to that Self-Certification being provided to, and used by Vanguard in its capacity as operator of Vanguard Personal Investor for the purposes of your Vanguard Personal Investor Account. You are taken to declare that the information provided in the Self-Certification remains correct at the time the Proposal is implemented. If there is any change to your circumstances which causes the previous Self-Certification to be incorrect or incomplete, you should notify Vanguard.

We conduct FATCA/CRS due diligence on account holders in Vanguard Personal Investor. To enable us to comply with our FATCA/CRS obligations, you will need to provide us with certain information and/or documentation upon request.

We will report information in respect of certain account holders and their Vanguard Personal Investor Account to the ATO. The ATO may share such information with the U.S. Internal Revenue Service or tax authorities of jurisdictions that have concluded a CRS Competent Authority Agreement with Australia.

For further information in relation to how our due diligence and reporting obligations under FATCA and CRS may affect you, please consult your tax adviser.

### **3.13 Consent to use TFN Information**

In our capacity as responsible entity of the Wholesale Funds, we may hold your tax file number (**TFN**) or TFN related information (for example, details of any TFN exemption that has been claimed) which you provided to us in the context of your investment in the Wholesale Funds (**TFN Information**).

Under the terms of the Amendments to the Constitutions, Participating Ordinary Members will, upon the implementation of the Proposal, consent to Vanguard as operator of Vanguard Personal Investor holding, using and disclosing to a third party the TFN Information that Vanguard as responsible entity of the Wholesale Funds holds in order to administer the investments in their Vanguard Personal Investor account ((including their existing units in the Wholesale Funds following implementation of the Proposal), to the extent that the TFN Information is necessary or useful to facilitate Vanguard's administration of your investment and compliance with tax obligations.

Participating Ordinary Members will, however, have the opportunity to 'opt out' of having their TFN Information that we currently hold in respect of their investment in the Wholesale Funds used to administer their investment in the Wholesale Funds through Vanguard Personal Investor by notifying us that they do not consent to Vanguard keeping and using this information in this way. If you notify us of this, then we will destroy the information that you provided to us as responsible entity of the Wholesale Fund following the implementation of the Proposal once the TFN Information is no longer required to administer your investment in the Wholesale Funds. To 'opt-out', please contact a member of our team on 1300 655 101 between 8am – 6pm (AET), Monday to Friday and we will send you the applicable form to complete. (If you are calling from outside Australia, call +61 3 8888 3888).

There may be consequences associated with a decision to 'opt out' of these arrangements. For example, we may be required to withhold tax from the distributions that a Wholesale Fund makes to you if you do not otherwise quote a TFN to Vanguard as operator of Vanguard Personal Investor. You may also be requested by us to provide certain information that you previously provided as an investor in the Wholesale Funds.

We recommend that you seek independent professional tax advice in relation to the consequences of making a decision to 'opt out' of the migration of the TFN Information.

### **3.14 Major alternatives considered**

Listed below are the alternative proposals considered and some of the key advantages and disadvantages associated with each. In the Director's view, the alternative proposals do not provide the level of benefits the current Proposal is expected to deliver. The Directors consider the Proposal to be superior to the alternatives considered and that the Proposal is in the best interests of Members of each Wholesale Fund.



ALTERNATIVE	DESCRIPTION	ADVANTAGES	DISADVANTAGES
<b>Continue operating the Wholesale Funds in the same way</b>	<p>The Funds currently operate with two separate service models:</p> <ul style="list-style-type: none"> <li>• institutional investor service model; and</li> <li>• retail investor service model</li> </ul> <p>The current retail investor service model requires a significant amount of manual processing which is less efficient and has an inherently higher risk of errors.</p>	There is no change to your current client experience if that is what you prefer.	<p>Investors do not participate in the benefits of Vanguard Personal Investor.</p> <p>Vanguard will need to continue to administer the non-institutional investors within the Wholesale Fund manually, which is less efficient and has an inherently higher risk of errors.</p> <p>Fees may need to be increased and/or services changed to maintain a sustainable service model for non-institutional investors in the Wholesale Funds.</p>
<b>Change Retail Investor service model</b>	In respect of retail investors, close the Wholesale Funds to all transactions (including reinvestments) except withdrawals in order to reduce costs.	You continue your current investment in the Wholesale Funds.	Any further investment requires you to open and manage an alternative investment account (such as Vanguard Personal Investor).

### 3.15 Conditions to the Proposal

In order for the Proposal to proceed for a Wholesale Fund, the below conditions are all required to be met:

(1) **Approval by Voting Members**

The Amendments to that Wholesale Fund's Constitution to facilitate the Proposal must be approved by special resolution of the Voting Members of that Wholesale Fund at the Meeting and the Proposal must be approved by ordinary resolution of the Voting Members of that Wholesale Fund at the Meeting.

(2) **Vanguard must determine on a continuing basis that the Proposal is in the best interests of Members**

Vanguard as responsible entity of each Wholesale Fund has determined as at the date of the Notice of Meeting and Explanatory Memorandum that the Proposal is in the best interests of Members of each Wholesale Fund. For the Proposal to proceed in respect of each Wholesale Fund, Vanguard must continue to hold the opinion that it is in the best interests of Members of each Wholesale Fund. Vanguard may determine at any time prior to the date of the Meeting or implementation of the Proposal that the Proposal is not in the best interests of Members of one or more Wholesale Funds and if such a determination is made, the Proposal will not be implemented for those Wholesale Funds.

(3) **Obtain ASIC Relief**

The implementation of the Proposal in respect of each Wholesale Fund is subject to Vanguard receiving by the Implementation Commencement Date all relevant ASIC Relief deemed necessary by Vanguard to facilitate the implementation of the Proposal and that each form of ASIC Relief is issued on terms that it will remain effective until a date no earlier than the Implementation Date. A summary of the ASIC Relief being sought by Vanguard has been set out in Annexure C.

### 3.16 Risks to the Proposal implementation

There is a risk that the implementation of the Proposal may be delayed due to unforeseen events such as volatile investment market conditions, interruption to the workforce due to pandemics or other significant events. Please refer to Vanguard's website at [www.vanguard.com.au/personal/support/proposal](http://www.vanguard.com.au/personal/support/proposal) for any updates regarding the implementation of the Proposal.

### 3.17 Costs of Proposal

A portion (approximately 53%) of the costs incurred in respect of the Proposal will be borne by Vanguard out of our own resources. A portion (approximately 47%) of the costs incurred in respect of the Proposal, specifically the costs incurred in respect of the Meetings and the implementation of the Proposal, will be borne by each of the Wholesale Funds. Our reasonable estimate of the indirect cost for each Wholesale Fund for the financial year ending 30 June 2024 is 0.0014% of the net asset value of the relevant Wholesale Fund<sup>20</sup>. To illustrate, if you have an investment of \$500,000 in a Wholesale Fund, the total additional cost that you will incur in relation to that Wholesale Fund will be approximately \$7.03 in the 2023/2024 financial year. The costs will be borne by the Ordinary Class only and will not be borne by the Non-Affected Classes (where such classes are on issue for a relevant Wholesale Fund). In respect of the Vanguard Global Infrastructure Index Fund and the Vanguard International Small Companies Index Fund (in respect of which ASIC relief to facilitate a meeting of only Ordinary Members was not able to be obtained), any costs associated with providing members of the Non-Affected Classes the opportunity to vote on the Proposal will be borne by Vanguard.

To ensure that the costs are allocated to Members of each Wholesale Fund on a fair and equitable basis, the costs of the Proposal being borne by each of the Wholesale Funds will be allocated in proportion that its net asset value bears to the aggregate net asset value of the Wholesale Funds. This means that the total cost to you as a proportion of your amount invested is the same regardless of which of the Wholesale Fund(s) you are invested in.

The costs borne by each Wholesale Fund are accrued in the unit price of each of the Wholesale Funds as and when the costs are incurred and payable directly from the assets of each of the Wholesale Funds. The costs borne by each Wholesale Fund are not deducted directly from your account. For completeness, the costs of the Proposal will be borne by each Wholesale Fund (as set out above) whether the Proposal is approved or not approved by Members.

### 3.18 Vanguard Personal Investor Voting Policy

As a Member of a Wholesale Fund, you are currently entitled to exercise any voting rights, directly participate in member proposals, attend member meetings in relation to the Wholesale Fund and under the Corporations Act (and, if applicable, the constitutional documents of a Wholesale Fund) and requisition a meeting of scheme members to vote on a resolution.

Under the Proposal, Ordinary Members will move from being invested directly in a Wholesale Fund to being invested in a Wholesale Fund indirectly via their Vanguard Personal Investor Account and accordingly you will no longer have any direct voting rights in relation to their investment in a Wholesale Fund held through your Vanguard Personal Investor Account, and you will no longer have any direct rights to requisition a meeting of members of a Wholesale Fund to vote on a resolution.

However, the board of Vanguard has approved an updated Vanguard Personal Investor Voting Policy, which will become effective prior to the Implementation Commencement Date. Under the updated Vanguard Personal Investor Voting Policy, in respect of the Wholesale Funds:

- when Vanguard receives information about any matter to be voted on by holders at a meeting of members of a Wholesale Fund (including any notice of meeting), Vanguard must notify (electronically via email) all investors who hold units in the relevant Wholesale Fund through Vanguard Personal Investor and include in the notification:
  - a copy or link to the information it has received;
  - instructions of how the investor may make a valid voting direction instruction to Vanguard, which can include a direction to appoint a proxy (which can be the investor themselves) and a direction as to how to vote; and
  - a cut-off date for the receipt of the voting direction instructions;

<sup>20</sup>. Based on AUM as at 30 April 2023

- if Vanguard receives a valid voting direction, it must exercise its voting rights in accordance with the investors direction in respect of the number of units in the relevant Wholesale Fund beneficially held by the investor; and
- no fee will be charged to investors who exercise their voting rights.

Additionally, under the updated Vanguard Personal Investor Voting Policy, investors will be able to instruct Vanguard to requisition a meeting of scheme members. Where such an instruction is given to Vanguard or otherwise an investor notifies Vanguard of its intention to do so, Vanguard will as soon as reasonably practicable:

- provide the investor with the constitutional documents of the relevant Wholesale Fund;
- request the investor confirm the objects of the meeting; and
- upon receipt of any information or requisitions in respect of the meeting of members, provide such information or requisitions to the investor, and act in accordance with any valid investor instructions in respect of such information or requisitions upon receipt.

Therefore, after the updated Vanguard Personal Investor Voting Policy becomes effective prior to the Implementation Commencement Date, there will be important differences for you in terms of voting rights and your right to requisition a meeting of members of a Wholesale Fund, as you will no longer be directly invested in a Wholesale Fund and will instead be invested in a Wholesale Fund indirectly via a Vanguard Personal Investor Account. Accordingly, you will no longer have any direct voting rights in relation to your investment in a Wholesale Fund held through your Vanguard Personal Investor Account, and you will no longer have any direct rights to requisition a meeting of members of a Wholesale Fund to vote on a resolution. However, under the Proposal and in accordance with the updated Vanguard Personal Investor Voting Policy, Vanguard will provide you with information about any meetings of members of a Wholesale Fund which you are invested in through your Vanguard Personal Investor Account and will seek voting directions from you in respect of those meetings. Pursuant to the Vanguard Personal Investor Voting Policy, you will also have the ability to direct Vanguard, to call for a meeting of members of a Wholesale Fund. The key difference however will be that when Invested directly in a Wholesale Fund, you may exercise your right to vote or requisition a meeting of scheme members directly, whereas when investing through a Vanguard Personal Investor Account, you are required to direct Vanguard to vote on your behalf or instruct Vanguard to requisition a meeting of scheme members on your behalf. Other important differences under the Vanguard Personal Investor Voting Policy include (without limitation) that:

- there may be time delays between Vanguard receiving information about any matter to be voted on by holders at a meeting of members of a Wholesale Fund, and Vanguard providing you with such information;
- any meeting requisition instructions must satisfy certain criteria (as determined by Vanguard acting reasonably) and are subject to Vanguard acting on properly provided instructions as soon as reasonably practicable once received;
- in contrast to the Corporations Act, the Vanguard Personal Investor Voting Policy does not provide specific timing requirements in respect of meeting requisition requests;
- Vanguard will notify you of a cut-off date for the receipt of voting direction instructions and this date may be earlier than any cut-off dates that would apply to you as a direct investor;
- Vanguard will only act in accordance with meeting requisition instructions to the extent that that such instructions meet certain criteria as set out in the Vanguard Personal Investor Voting Policy; and
- unlike direct rights provided under the Corporations Act, the Vanguard Personal Investor Voting Policy may be changed from time to time by Vanguard.

A copy of the updated Vanguard Personal Investor Voting Policy approved by the Board of Vanguard is attached at Annexure D.

### **3.19 Directors' recommendation**

The Vanguard directors unanimously recommend that Voting Members of each Wholesale Fund vote in favour of the Resolution.

Please refer to section 1.7 of the Explanatory Memorandum in respect of the Directors view that the Proposal is in the best interest interests of the Members of each Wholesale Fund, including the considerations that the Directors have taken into account in forming this view.

### **3.20 Related party approval**

Chapter 2E of the Corporations Act, as modified by Part 5C.7 of the Corporations Act, regulates the provision of financial benefits to related parties by responsible entities of registered schemes. In particular, section 208 (as modified by section 601LC) of the Corporations Act prohibits a responsible entity of a registered scheme from giving a financial benefit out of scheme property to a related party without member approval, unless it occurs pursuant to an exception under the Corporations Act, for example, that the transaction is on arm's length terms.

Under the Proposal, Vanguard as responsible entity of a given Wholesale Fund will be transacting with Vanguard as operator of Vanguard Personal Investor. Given this, the Proposal will involve related party transactions that fall within the scope of the Corporations Act.

Chapter 2E of the Corporations Act includes exceptions from this prohibition where a financial benefit is given on arm's length terms, or as reasonable remuneration. Vanguard has formed the view that the relevant related party transactions as part of the Proposal fall within this exception because:

- Vanguard as responsible entity of a given Wholesale Fund will be transacting with Vanguard as operator of Vanguard Personal Investor on the same terms as any other client that opens a Vanguard Personal Investor Account; and
- Vanguard as operator of Vanguard Personal Investor does not receive any additional fees as a result of Members holding Wholesale Funds through Vanguard Personal Investor rather than investing directly into a Wholesale Fund.

### **3.21 Vanguard conflicts policy**

Under the Proposal, Vanguard will be acting in various different capacities, namely:

- as responsible entity of the Wholesale Funds;
- as operator of Vanguard Personal Investor; and
- in its personal capacity.

Vanguard maintains a conflicts of interests policy and has put in place arrangements to ensure that it is able to appropriately manage any potential or actual conflicts of interest that may arise in relation to the Proposal.

### **3.22 Privacy**

The Responsible Entity may collect personal information in the process of conducting the Meetings. Such information may include the name, contact details and security holdings of Members and the name of persons appointed by Members to act as a proxy, corporate representative or attorney at the Meetings. This collection is required or authorised by the Corporations Act.

The primary purpose of the collection of personal information is to assist the Responsible Entity to conduct the Meetings. Personal information of the type described above may be disclosed to print and mail service providers and related bodies corporate of the Responsible Entity. Some of these entities are located outside of Australia.

From time to time, we may also be required to provide this information to a government or regulatory body such as ASIC, the Australian Tax Office or a law enforcement agency.

The main consequence of not collecting the personal information outlined above would be that the Responsible Entity may be hindered in, or prevented from, conducting the Meeting.

Members and persons appointed to act as a proxy, corporate representative or attorney at the Meetings have certain rights to access their personal information that has been collected, and should contact the Responsible Entity in the first instance if they wish to access this information.

Members who appoint a named person to act as their proxy, corporate representative or attorney should ensure that they inform that person of these matters.

Vanguard's privacy policy (available at [vanguard.com.au](http://vanguard.com.au) about how we usually collect, use and disclose your personal information and how you can ask to access or seek correction of it). Vanguard's privacy policy also contains information about how you can make a complaint and our process for dealing with such a complaint.

If you would like further information about our privacy policies and practices, please contact client services on 1300 655 101 (8:00 am to 6:00 pm AET, Monday to Friday) or email: [clientservices@vanguard.com.au](mailto:clientservices@vanguard.com.au).

# 4. Information about Vanguard Personal Investor

## 4.1 Key features and benefits of Vanguard Personal Investor



### Comprehensive range of investment options

- Vanguard Personal Investor offers access to a wide range of investment options including access to Vanguard's low-cost managed funds and Vanguard exchange traded funds (ETFs), as well as selected ASX listed direct shares.

The range of available investments will vary from time to time. You should consult the relevant PDS or disclosure document of each investment option (where applicable) before making an investment decision.



### Manage your investments anytime, anywhere with easy and convenient online access

- Buy and sell investments online through Vanguard Online or the Vanguard Australia mobile app.
- Access your transaction information, portfolio holdings and valuations at any time.
- View and download reports and statements, including annual tax statements.



### An easy way to build your portfolio with Auto Invest

- Make regular automated investment contributions into our wide range of managed funds and ETFs, from \$200.



### Low and competitive platform fees

INVESTMENT OPTION	BROKERAGE FEES		ACCOUNT FEE
	BUY	SELL	
Vanguard managed funds	N/A	N/A	N/A
Vanguard ETFs	\$0	\$9.00 flat rate per trade	N/A
ASX listed direct shares	\$9.00 flat rate per trade	\$9.00 flat rate per trade	0.10% p.a. Account Fee on ASX listed direct shares.

Please refer to section 4.4 of the Explanatory Memorandum for more information regarding the fees and costs applicable to Vanguard Personal Investor



### Low investment minimums

INVESTMENT OPTION	MINIMUM INITIAL INVESTMENT	MINIMUM ADDITIONAL INVESTING	AUTO INVEST
Vanguard managed funds	\$500	No minimums	\$200 per cycle
Vanguard ETFs	\$500	\$500	
ASX listed direct shares	\$500	\$500	N/A



### **Cash management made easier**

- Your Vanguard Personal Investor Account comes with an integrated Vanguard Cash Account, a centralised cash hub for investing, settling your transactions, receiving investment income and paying withdrawals.



### **Consolidated reporting**

- Access to comprehensive consolidated investment and tax reporting.



### **Kids accounts**

- Access to open a Vanguard Personal Investor Kids Account for the benefit of a child (under 18). To open this account, you need to have an existing eligible Vanguard Personal Investor Account with your own Vanguard Online login.



### **Security on your account**

- To maintain the security and integrity of your account, we will ask you to authenticate yourself for certain transactions via SMS verification code and provide real time notifications for change of details and certain transactions.
- 

## **4.2 The key differences between Vanguard Personal Investor and investing directly into a Wholesale Fund**

If the Proposal is approved, and the conditions set out in section 3.15 of the Explanatory Memorandum are satisfied, the Proposal will be implemented and Participating Ordinary Members will hold their investment in the Wholesale Fund through Vanguard Personal Investor, instead of a direct investment into the Wholesale Fund.

Below is a summary of the key differences between investing directly in a Wholesale Fund (which is the current structure) and investing through Vanguard Personal Investor (which is the proposed structure).

FEATURE	INVESTING DIRECTLY IN A WHOLESALE FUND (THE CURRENT STRUCTURE)	INVESTING THROUGH A VANGUARD PERSONAL INVESTOR ACCOUNT (THE PROPOSED STRUCTURE)	WHAT THIS MEANS FOR YOU IF THE PROPOSAL IS IMPLEMENTED
<b>Legal ownership of unit holdings</b>	<p>You have both legal and beneficial ownership of your investment and hold all rights attached to ownership.</p> <p>Your rights such as withdrawal rights, transfer rights and voting rights are determined by reference to the relevant Wholesale Fund Constitution (the rules of the Wholesale Fund) the Corporations Act and the PDS.</p>	<p>You have beneficial ownership of your investment and Vanguard will hold legal title to your investments as your agent and bare trustee.</p> <p>Your rights are determined by reference to the Vanguard Personal Investor Deed Poll (the rules of Vanguard Personal Investor) and the Vanguard Personal Investor Guide.</p> <p>Direct rights conferred by the Fund constitution, Corporations Act and PDS are generally not available to you. With regard to fees, Vanguard Personal Investor has the ability to charge fees in addition to those applicable for the Fund. There is no intention to introduce an account fee for Vanguard managed funds held through VPI. See section 4.4 for the current fees and costs for Vanguard Personal Investor.</p> <p>As your agent and bare trustee, Vanguard is legally obliged to hold your investments in safe keeping on your behalf and for your benefit.</p>	<p>You will beneficially own your Wholesale Fund Units held in your Vanguard Personal Investor Account on your behalf.</p> <p>Continuing the same example in Section 1.2 in relation to the Vanguard Australian Shares Index Fund, you will be invested in the same fund via your Vanguard Personal Investor Account. Your investment exposure to the S&amp;P/ASX300 Index will not change.</p> <p>The outcome described in this example is the same for each of the Wholesale Funds listed in Annexure A.</p>
<b>Voting rights</b>	<p>You are entitled to exercise any voting rights, directly participate in member proposals and attend member meetings in relation to the Wholesale Fund.</p>	<p>You do not have any direct voting rights in relation to your investments held through your Vanguard Personal Investor. You also do not have any rights to call for a meeting of members of the relevant Fund. Account.</p> <p>However, effective from the Implementation Completion Date, the board of Vanguard has approved an updated Vanguard Personal Investor voting policy Voting Policy, that is attached at Annexure D, and will be updated to require Vanguard to seek voting directions from clients on meetings on their Vanguard managed fund investments which are held through become effective prior to the Implementation Commencement Date. Under the updated Vanguard Personal Investor. Voting Policy:</p> <ul style="list-style-type: none"> <li>• you will receive information from Vanguard about any matter to be voted on by holders at a meeting of members; and</li> <li>• you will have the ability to direct Vanguard, in respect of the number of interests you beneficially hold in a Wholesale Fund, as to how to vote at a meeting of members of the Wholesale Fund.</li> </ul> <p>Additional information about the updated Vanguard Personal Investor Voting Policy can be found at section 3.18 of this Explanatory Memorandum.</p>	<p>After the Vanguard Personal Investor Voting Policy is updated prior to the Implementation Commencement Date, there will be important differences for you in terms of voting rights as you will no longer have any direct voting rights in relation to your investment in a Wholesale Fund held through your Vanguard Personal Investor Account.</p> <p>However, under the Proposal and in accordance with the updated Vanguard Personal Investor Voting Policy, we will provide you with information about any meetings of members of a Wholesale Fund which you are invested in through your Vanguard Personal Investor Account and will seek voting directions from you in respect of those meetings.</p> <p>The key difference however will be that when invested directly in a Wholesale Fund, you may exercise your right to vote directly, whereas when investing through a Vanguard Personal Investor Account, you are required to direct Vanguard to vote on your behalf.</p> <p>In addition, unlike direct rights provided under the Corporations Act, the Vanguard Personal Investor Voting Policy may be changed from time to time by Vanguard.</p>



FEATURE	INVESTING DIRECTLY IN A WHOLESALE FUND (THE CURRENT STRUCTURE)	INVESTING THROUGH A VANGUARD PERSONAL INVESTOR ACCOUNT (THE PROPOSED STRUCTURE)	WHAT THIS MEANS FOR YOU IF THE PROPOSAL IS IMPLEMENTED
<b>Requisition of a meeting of members</b>	<p>You are entitled to directly exercise a right under the Corporations Act to requisition a meeting of scheme members to vote on a resolution.</p>	<p>You do not have any direct rights to call for a meeting of members of a Wholesale Fund.</p> <p>However, under the issuers of investments held through updated Vanguard Personal Investor Voting Policy, that is attached at Annexure D, and will become effective prior to the Implementation Commencement Date, you will be able to instruct Vanguard to requisition a meeting of scheme members and Vanguard will act on properly provided instructions as soon as reasonably practicable, provided that such instructions are (as determined by Vanguard, acting reasonably) in accordance with the Corporations Act and the constitutional documents of the Wholesale Fund and otherwise not contrary to any law and will not result in a breach of law.</p> <p>Additional information about the updated Vanguard Personal Investor Voting Policy can be found at section 3.18 of this Explanatory Memorandum.</p>	<p>After the Vanguard Personal Investor Voting Policy is updated prior to the Implementation Commencement Date, there will be important differences for you in terms of your right to requisition a meeting of members of a Wholesale Fund as you will no longer have any direct rights to requisition a meeting of members of a Wholesale Fund to vote on a resolution.</p> <p>However, under the Proposal and in accordance with the updated Vanguard Personal Investor Voting Policy, you will have the ability to direct Vanguard, to call for a meeting of members of a Wholesale Fund.</p> <p>The key difference however will be that when invested directly in a Wholesale Fund, you may exercise your right to requisition a meeting of scheme members directly, whereas when investing through a Vanguard Personal Investor Account, you are required to direct Vanguard to requisition a meeting of scheme members on your behalf. Any meeting requisition instructions must satisfy certain criteria (as determined by Vanguard acting reasonably) and are subject to Vanguard acting on properly provided instructions as soon as reasonably practicable once received. In contrast to the Corporations Act, the Vanguard Personal Investor Voting Policy does not provide for specific timing requirements.</p> <p>In addition, unlike direct meeting requisition rights provided under the Corporations Act, the Vanguard Personal Investor Voting Policy may be changed from time to time by Vanguard.</p>
<b>Fund notices</b>	<p>You receive notices of meetings and other communications from the Wholesale Fund directly.</p>	<p>You will not normally receive notices of meeting and other communications directly from the issuers of investments held through Vanguard Personal Investor.</p> <p>Instead, any material changes or events will be communicated to you through Vanguard Personal Investor.</p>	<p>You will receive communications about your Wholesale Fund(s) investment (and other investments held through Vanguard Personal Investor) online unless you elect otherwise.</p>

FEATURE	INVESTING DIRECTLY IN A WHOLESALE FUND (THE CURRENT STRUCTURE)	INVESTING THROUGH A VANGUARD PERSONAL INVESTOR ACCOUNT (THE PROPOSED STRUCTURE)	WHAT THIS MEANS FOR YOU IF THE PROPOSAL IS IMPLEMENTED
<b>Application and Withdrawal rights</b>	<p>You will be notified directly by the product issuer if the product issuer is required to give you the option of electing to withdraw your application and receive a refund.</p> <p>Withdrawal rights available under the Corporations Act will generally be available to you.</p> <p>You may request a withdrawal by submitting an instruction directly to a Wholesale Fund either through Vanguard Online or by completing a Withdrawal Form.</p> <p>Instructions that are received before the cut off time of 1:00pm (AET) will be processed that day and instructions received after 1:00pm (AET) will be processed the next business day.</p> <p>Withdrawal proceeds are generally paid to your nominated Australian bank account directly.</p>	<p>Where practicable we will notify you of any communication received from a product issuer in respect of an investment you have applied for through Vanguard Personal Investor that gives you the option of electing to withdraw your application and receive a refund and provide any accompanying disclosure documents. If you wish to exercise those rights we'll generally act on any instruction received from you provided the instruction is received by the required cut-off time.</p> <p>Withdrawal rights will not be available to you directly. Instead, you may request a withdrawal from a Wholesale Fund by submitting an electronic redemption instruction to Vanguard as the Vanguard Personal Investor Operator to be actioned on your behalf in accordance with the Vanguard Personal Investor Deed Poll and IDPS Guide.</p> <p>Instructions that are received before the cut off time of 1:00pm (AET) will be processed that day and instructions received after 1:00pm (AET) will be processed the next business day</p> <p>Withdrawals will first be deposited into the Vanguard Personal Investor Cash Account (see section 4.1(e) of the Explanatory Memorandum for more details about the Vanguard Cash Account). You can then choose whether to transfer the withdrawal proceeds to your personal bank account on file, invest the withdrawal amount into other investment options available through Vanguard Personal Investor or leave the money on deposit in the Cash Account.</p>	<p>You will be able to make withdrawal/redemption requests in relation to your investment in the Corresponding Wholesale Fund(s) held in your Vanguard Personal Investor Account at any time by submitting an electronic withdrawal/redemption instruction to Vanguard.</p> <p>There will be no practical difference for you in terms of the right to withdraw an application because the Proposal does not alter any application withdrawal rights which may have been available to you.</p> <p>Withdrawal proceeds will be deposited into your Vanguard Personal Investor Cash Account.</p> <p>You will then be able to choose whether to transfer the withdrawal proceeds from your Vanguard Personal Investor Cash Account to your personal bank account on file, invest the withdrawal amount into other investment options available through Vanguard Personal Investor or leave the money on deposit in the Cash Account.</p> <p>Your Vanguard Personal Investor Account comes with an integrated Vanguard Cash Account which is a centralised cash hub for investing, settling your transactions, receiving investment income and paying withdrawals.</p>
<b>Consolidated reporting</b>	<p>You receive separate reporting for each Wholesale Fund investment that you hold.</p>	<p>You will have access to comprehensive consolidated reporting on all investments held through Vanguard Personal Investor.</p>	<p>You will receive online reporting in relation to your new investment in the Wholesale Fund(s) (and other investments held through your Vanguard Personal Investor Account).</p>
<b>Online communications</b>	<p>You receive communications from a Wholesale Fund which may or may not be online.</p>	<p>You will receive all Vanguard Personal Investor communications online. You can contact us to request these communications be sent to you by post.</p>	<p>You will receive communications about your Wholesale Fund(s) investment (and other investments held through Vanguard Personal Investor) online unless you elect otherwise.</p>

FEATURE	INVESTING DIRECTLY IN A WHOLESALE FUND (THE CURRENT STRUCTURE)	INVESTING THROUGH A VANGUARD PERSONAL INVESTOR ACCOUNT (THE PROPOSED STRUCTURE)	WHAT THIS MEANS FOR YOU IF THE PROPOSAL IS IMPLEMENTED
<b>Fund distributions</b>	<p>If you have elected to receive cash distributions, distributions are paid directly into your nominated Australian bank account.</p> <p>If you have elected distribution reinvestment, distributions are reinvested into additional Units of the relevant Wholesale Fund.</p>	<p>If you have elected to receive cash distributions, we intend for your distributions to continue to be deposited directly into your linked Australian bank account<sup>21</sup> however you also have the option to have the distributions deposited into your Vanguard Personal Investor Cash Account.</p> <p>If you elect for distributions to be paid to the Vanguard Cash Account, you can then:</p> <ul style="list-style-type: none"> <li>invest the amount into other investment options;</li> <li>leave the money on deposit in the Cash Account, or</li> <li>withdraw the amount to your linked bank account.</li> </ul> <p>If you have elected distribution reinvestment, distributions are reinvested into additional units of the relevant Wholesale Fund.</p>	<p>We will carry over your Wholesale Fund distribution election to your Wholesale Fund investment (held through your Vanguard Personal Investor Account)<sup>21</sup>.</p> <p>You will be able to change your distribution election at any time by contacting us.</p>
<b>Signature rules for non-individual accounts</b>	You can have designated signatory rules and nominate one or more account owners to instruct on your account (e.g., withdrawals).	Any named account owner can instruct Vanguard including withdrawal instructions (known as 'any to sign' process).	Any named account holder will be able to operate your online Vanguard Personal Investor Account. You will also be able to appoint a legally authorised representative(s) to operate your online Vanguard Personal Investor Account on your behalf.
<b>Changes to personal/linked bank accounts and impact on withdrawal timing</b>	Upon a change of bank details, there is little to no time lag for the payment of withdrawal proceeds to the new personal bank account. This is due to the manual nature of the administration whereby signatures can be verified prior to the change being made to help mitigate (but not eliminate) fraud risk.	There can be a hold on withdrawals/payments to a newly linked bank. This is a security measure to help reduce fraud risk on your account. This hold does not impact the transaction date on which your withdrawal request is processed and its payment to the Vanguard Cash Account, but rather when the funds can be released from the Vanguard Cash Account to your linked bank account.	As a security measure, you will be notified if a new linked bank account is set up on your account and the funds will not be released from your Vanguard Cash Account to the newly linked bank account.
<b>Investments into a new Vanguard fund</b>	Not available	You can invest in any Vanguard fund that is available on the Investment menu through Vanguard Personal Investor (see section 4 of the Explanatory Memorandum for more information about Vanguard Personal Investor). The minimum initial investment into a Vanguard Wholesale Fund through Vanguard Personal Investor is \$500 (\$200 if using Auto Invest – see section 4.1 of the Explanatory Memorandum, in respect of Automatic investments).	You will be able to invest into other Vanguard wholesale funds and ETFs as well as ASX listed shares through your Vanguard Personal Investor Account.

21. The ability for cash distributions to be paid directly to your bank account (rather than the Cash Account) is not currently available but is expected to be available by 31 December 2023. If you have an existing Vanguard Personal Investor Account, you will also have the option to elect to have your cash distributions paid directly to your bank account for any investments currently held through the Vanguard Personal Investor Account.

FEATURE	INVESTING DIRECTLY IN A WHOLESALE FUND (THE CURRENT STRUCTURE)	INVESTING THROUGH A VANGUARD PERSONAL INVESTOR ACCOUNT (THE PROPOSED STRUCTURE)	WHAT THIS MEANS FOR YOU IF THE PROPOSAL IS IMPLEMENTED
<b>Investment into Vanguard ETFs and ASX direct shares</b>	Not available	You can invest in a range of Vanguard ETFs and ASX shares. There are no brokerage fees for purchases of Vanguard ETFs. For ASX shares and selling Vanguard ETFs a flat brokerage fee of \$9 per trade applies. See section 4.4 of the Explanatory Memorandum for additional information about fees.	You will be able to invest into other Vanguard wholesale funds and ETFs as well as ASX listed shares through your Vanguard Personal Investor Account.
<b>Automatic investments</b>	Not available	With your Vanguard Personal Investor Account, you can set up an Auto Invest plan to invest in any Vanguard Fund or Vanguard ETF available on the investment menu (see section 4.1 of the Explanatory Memorandum for additional details).	You will be able to set-up an automatic investment into any Vanguard wholesale fund or ETF via the Auto Invest feature in your Vanguard Personal Investor Account.
<b>Cooling-off rights</b>	Cooling-off rights may be available to retail investors in respect of new investments in a Wholesale Fund.	Cooling-off rights do not apply to investments held through Vanguard Personal Investor.	The Proposal does not alter any cooling-off rights which may have been available to retail investors when units in the Wholesale Fund were initially acquired.  No cooling-off rights will apply to additional investments you may make in the Wholesale Funds through Vanguard Personal Investor.

### 4.3 Risks of investing through Vanguard Personal Investor

Some of the risks of investing through Vanguard Personal Investor include:

- (a) **Service interruption risks:** Vanguard Personal Investor is an online investment service. There may be times when the service is not available or operates with limited functionality and investors may not be able to buy or sell their investments or transfer money to or from their Vanguard Personal Investor Account in a timely manner. Vanguard has appropriate controls in place to mitigate these risks and may provide alternative means of transacting or transferring money, however Vanguard is not responsible for any loss incurred should investors be unable to perform transactions during a period of service interruption.
- (b) **Operational risk:** There is a risk that Vanguard, or another service provider, will fail to adequately administer or report accurately in relation to an investor's investment in Vanguard Personal Investor. There is also a risk that circumstances beyond Vanguard's control may impact Vanguard's operation of Vanguard Personal Investor. Such occurrences may include strikes, industrial disputes, fires, war, civil disturbance, terrorist acts, state emergencies and epidemics in Australia or in other countries.

There are also risks specific to the investment options available through Vanguard Personal Investor that should be considered. Investors should consult the relevant PDS or disclosure document of each investment option (where applicable) for a summary of the risks specific to the investment option.

## 4.4 Fees and costs

The Vanguard Personal Investor Guide shows the fees and other costs that an investor may be charged in relation to their Vanguard Personal Investor account. In summary, as at the date of the Explanatory Memorandum<sup>1</sup> the fees and costs currently charged are:

TYPE OF FEE OR COST <sup>2</sup>	TYPE OF INVESTMENT	AMOUNT	HOW AND WHEN PAID
<b>ONGOING ANNUAL FEES AND COSTS</b>			
<b>Management fees and costs</b> The fees and costs for managing your investments through Vanguard Personal Investor.  These management fees and cost do not include the fees and costs that relate to investing in the investment options.	<b>Account Fee:</b> Vanguard Managed Funds:	Nil	There is no account fee on the value of Vanguard Managed Funds, Vanguard ETFs and Vanguard Cash Account balance.
	Vanguard ETFs: Vanguard Cash Account: All other investments such as ASX direct shares:	Nil Nil Nil 0.10% p.a. of the value of your investment in the option(s)	
	Interest Retained on the Vanguard Cash Account	We retain part or all of the interest earned in the omnibus cash account <sup>3</sup> .  The interest rate retained for the previous financial year ending 30 June 2022, was 0.50% p.a. of the value of an investor's Vanguard Cash Account.	The Interest retained on the Vanguard Cash Account is the difference between the amount of interest earned on the pooled cash held in the omnibus accounts at our authorised deposit-taking institution and the interest we credit to an investor's Vanguard Cash Account (if any). This amount is calculated daily on the value of an investor's Vanguard Cash Account balance and is received monthly by Vanguard before the Vanguard cash account interest rate to investors is declared (if any). It is not a fee that is deducted from an investor's account.  For financial year ending 30 June 2023, we anticipate the Interest rate retained on the Vanguard Account is estimated to be 1.10% p.a., and for the financial year ending 30 June 2024, the interest rate retained is anticipated to range between an estimate of 4.00% and 4.50% p.a. <sup>4</sup>
<b>Transaction costs<sup>5</sup></b> The costs to buy or sell assets through Vanguard Personal Investor.	Vanguard Managed Funds: Vanguard ETFs: • Buy: • Sell :  Direct shares:	Nil  Nil A flat \$9.00 brokerage fee applies to ETF sell trades A flat \$9.00 brokerage fee applies to buy and sell share trades	Transaction costs (brokerage fees) are deducted from an investor's Vanguard Cash Account as and when they are incurred.

- Vanguard reserves the right to change the fees applicable to Vanguard Personal Investor at any time or introduce new fees. Vanguard will provide investors with at least 30 days written notice prior to increasing any fee or introducing new fees. At Vanguard's discretion, it may charge a reduced account fee to certain investors.
- All the fees and costs described are inclusive of any GST and net of any reduced input tax credits (RITCs) that may be claimed.
- We retain part or all of the interest earned on the Vanguard Cash Account. As at the date of this Guide, from 01 July 2023, we will retain all the interest earned on the Vanguard Cash Account. This may change in future.
- The interest retained on the Vanguard Cash Account reflects the actual amount incurred for the last financial year and may include Vanguard's reasonable estimates where Vanguard was unable to determine the exact amount or information was not available at the date of this Guide. Cash deposits held by Trust and Company accounts in the Vanguard Cash Account are held in the non-retail omnibus account, therefore the interest rate retained is at a lower rate.
- Other transaction costs may apply and will depend on the investment options chosen. Please refer to the PDS or other disclosure documents for the investment option for further details.

You should refer to the "Fees and Costs" section of the Vanguard Personal Investor Guide for a full outline of the fees and costs that may be charged (including fees we do not charge) in relation to a Vanguard Personal Investor account, which is included in Annexure D. In addition, the fees and costs for particular investments are set out in the PDS or other disclosure document for that investment. The total fees and costs payable by an investor will include the costs of holding a Vanguard Personal Investor account as well as the cost of any investments held.

#### **4.5 Additional information about Vanguard Personal Investor**

For additional information about Vanguard Personal Investor, you should refer to the Vanguard Personal Investor Guide, which is available at [www.vanguard.com.au/personal/support/pds-and-offer-documents](http://www.vanguard.com.au/personal/support/pds-and-offer-documents) and included in Annexure D. Alternatively, you can speak with a member of our team on 1300 655 101 8am – 6pm (AET), Monday to Friday. (If you are calling from outside Australia, call +61 3 8888 3888).

## 5. Taxation

The following is a high level summary of some of the expected Australian tax consequences for Participating Ordinary Members as a result of the implementation of the Proposal as well as the expected Australian tax consequences in relation to the special arrangements for Non-Affected Members, Foreign Resident Members and Small Balance Account Holders. This summary is necessarily of a general nature and is not intended to be a complete analysis to identify all potential tax consequences, nor does it take into account the specific circumstances of each Participating Ordinary Member.

The summary assumes that Ordinary Units in the Wholesale Funds are held on capital account for tax purposes.

The tax consequences of a Participating Ordinary Member's participation in the Proposal may differ depending upon their individual circumstances. Participating Ordinary Members should consult their own professional tax adviser regarding the consequences of the Proposal in light of their particular circumstances.

### 5.1 **Australian income tax consequences – Non-Affected Members and Foreign Resident Members**

The Proposal should have no expected Australian tax consequences if you are a Non-Affected Member or Foreign Resident Member, on the basis that the Proposal will have no impact on the way you hold your units in the Wholesale Funds.

### 5.2 **Australian income tax consequences of participating in the Proposal – Australian resident Participating Ordinary Members**

It is anticipated that you should not realise a capital gain or loss as a consequence of the transfer of your Ordinary Units into your Vanguard Personal Investor account.

While your Ordinary Unit Holdings in the Wholesale Fund units will, as a result of the Proposal, be transferred to Vanguard in its capacity as operator of Vanguard Personal Investor, Vanguard acquires your Ordinary Units as your agent and bare trustee to hold in your Vanguard Personal Investor account. Accordingly, Vanguard intends to continue to treat you as holding the Ordinary Units in the Wholesale Funds directly for the purposes of the capital gains tax provisions. This is on the basis that it intends to treat you as being 'absolutely entitled' to those units as against Vanguard as the operator of Vanguard Personal Investor.

We note that there is currently some uncertainty regarding whether, as a technical matter, a beneficiary can be 'absolutely entitled' to an asset as against a trustee in various circumstances, including in the case of the types of relationships created in the context of custodial, nominee, investor directed portfolio service (IDPS) and other types of 'bare trust' relationships, such as that created under Vanguard Personal Investor.

Notwithstanding this, industry practice is to treat beneficiaries as being 'absolutely entitled' in the case of ordinary IDPS-type relationships such as Vanguard Personal Investor. We also understand that the ATO's current administrative approach is to not disturb this industry practice and to allow these types of 'bare trust' relationships to be effectively disregarded, except in certain limited circumstances where there would be a withholding obligation imposed on the trustee.

### **5.3 Australian income tax consequences for Small Balance Account Holders**

If the Proposal is to be implemented, and you are a Small Balance Account holder, you will have your Units in the Wholesale Funds redeemed at their redemption price in advance of the Proposal being implemented, with the redemption price to be paid to you in cash.

If you are an Australian resident for tax purposes, then the redemption of the Units should result in you realising a capital gain or loss. This capital gain or loss should be based on the difference between the cash you receive from the redemption (being the capital proceeds of the redemption) and the 'cost base' (in the case of a capital gain) or 'reduced cost base' (in the case of a capital loss) of your Units in the Wholesale Fund.

If you realise a capital gain on this redemption, you may be entitled to the capital gains tax discount in respect of this capital gain if you held your Units for at least 12 months prior to the time at which the redemption occurs (not including the date of acquisition or disposal).

The capital gains tax discount, if it is available, allows you to reduce your net capital gain from the redemption, after applying any available capital losses, by 50% (if you are an individual or trust) or 33 1/3% (if you are a 'complying superannuation fund' for tax purposes). No capital gains tax discount is available to you if you are a company.

Any capital loss arising from the redemption of your Units in the Wholesale Funds may be used to offset other capital gains you may have made, but may not be used to offset against ordinary income. Net capital losses may be carried forward to offset capital gains of subsequent years, provided any applicable loss utilisation tests are satisfied.

### **5.4 Australian GST consequences**

You should not be liable for (or required to pay) GST under any aspect of the Proposal.

### **5.5 Australian stamp duty consequences**

The Proposal should not attract any duty. You should confirm the duty consequences of transferring your specific investment with your taxation adviser.



## 6. Definitions

In this Notice of Meeting and in the Explanatory Memorandum the following definitions apply unless the context otherwise requires.

**Amendments** means the amendments proposed to be made to each Wholesale Fund's Constitution as set out in Annexure B.

**ASIC** means the Australian Securities and Investments Commission.

**AUD Hedged Class** means the class of Units designated by Vanguard as the AUD Hedged Class in a Wholesale Fund.

**AUD Hedged Class Member** means a Member holding Units in the AUD Hedged Class.

**Board** means the board of directors of Vanguard Investments Australia Limited ABN 72 072 881 086.

**Chair** or **Chairperson** means such person as appointed by Vanguard to be the Chair of the Meetings.

**Constitution(s)** means the constitution of each of the Wholesale Funds, as amended from time to time.

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

**CRS** means the Organisation for Economic Cooperation and Development's Common Reporting Standard for Automatic Exchange of Financial Account Information, and all associated rules and regulations from time to time (including, without limitation, any Competent Authority Agreement relating to the above and Subdivision 396-C of Schedule 1 to the Taxation Administration Act 1953 (Cth)).

**ETF Class** means the class of Units designated by Vanguard as the ETF Class in a Wholesale Fund.

**ETF Class Member** means a Member holding Units in the ETF Class.

**Explanatory Memorandum** means the explanatory memorandum accompanying this Notice of Meeting.

**FATCA** means:

- (a) sections 1471 to 1474 of the U.S. Internal Revenue Code of 1986 or any associated regulations;
- (b) any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the U.S. and any other jurisdiction, which (in either case) facilitates the implementation of any law or regulation referred to in paragraph (a) above, including without limitation Subdivision 396-A of Schedule 1 to the *Taxation Administration Act 1953* (Cth); or
- (c) any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraphs (a) or (b) above with the U.S. Internal Revenue Service, the U.S. government or any governmental or taxation authority in any other jurisdiction.

**Foreign Resident Members** means an Ordinary Member as at the Implementation Record Time whose address is shown as a place outside of Australia in the relevant Wholesale Fund's Unit register.

**Implementation Commencement Date** means the date on which the Proposal will commence implementation, being a date separately notified by Vanguard to Members and expected to be in Q4 2023.

**Implementation Completion Date** means the date on which the Proposal will complete implementation, being a date separately notified by Vanguard to Members and expected to be in Q4 2023.

**Implementation Date** means the date or dates on which the Proposal will be implemented, commencing on the Implementation Completion Date and ending on the Implementation Completion Date.

**Implementation Record Time** means when eligibility to participate in the Proposal is determined, being a date separately notified by Vanguard to Members and expected to be in Q4 2023.

**Linking Cut Off Time** means the last day a Participating Ordinary Member may link their compatible Vanguard Personal Investor Account, expected to be 7 Business Days prior to the Implementation Commencement Date. The specific date will be confirmed to Members at the end of Q3 2023.

**Meeting** means the Meetings of the Voting Members of each Wholesale Fund at the time, date and place specified in the Notice of Meeting.

**Members** means the Ordinary Members and the Non-Affected Members.

**Member Elections** means the elections set out in section 3.10 of the Explanatory Memorandum.

**Non-Affected Member** means a holder of a Non-Affected Unit.

**Non-Affected Unit** means:

- (a) in respect of each Wholesale Fund except the Vanguard Ethically Conscious International Shares Index Fund:
  - (i) a Unit in the NZD Hedged Class (where on issue in respect of a Wholesale Fund); and
  - (ii) a Unit in the ETF Class (where on issue in respect of a Wholesale Fund); and
- (b) in respect of the Vanguard Ethically Conscious International Shares Index Fund:
  - (i) a Unit in the NZD Hedged Class;
  - (ii) a Unit in the ETF Class; and
  - (iii) a Unit in the AUD Hedged Class.

**Notice of Meeting** means the notice of meeting contained in this document.

**NZD Hedged Class** means the class of Units designated by Vanguard as the NZD Hedged Class in a Wholesale Fund.

**NZD Hedged Class Member** means a Member holding Units in the NZD Hedged Class.

**Ordinary Member** means a holder of an Ordinary Unit.

**Ordinary Unit** means:

- (a) in respect of each Wholesale Fund except the Vanguard Ethically Conscious International Shares Index Fund:
  - (i) a Unit in the class of Units designated by Vanguard as the Wholesale Class (where on issue in respect of a Wholesale Fund); and
  - (ii) a Unit in the AUD Hedged Class (where on issue in respect of a Wholesale Fund); and
- (b) in respect of the Vanguard Ethically Conscious International Shares Index Fund, a Unit in the class of Units designated by Vanguard as the Wholesale Class.

**Opt Out** means a decision by an Ordinary Member, and notified to Vanguard, to 'opt-out' of having their Ordinary Units transferred to Vanguard Personal Investor under the Proposal.

**Participating Ordinary Member** means Ordinary Members:

- (a) who are not a Foreign Resident Member or a Small Balance Account Holder; and
- (b) who have not elected to Opt Out.

**Proposal** means the proposal described in section 1.2 of the Explanatory Memorandum.

**Responsible Entity** or **Vanguard** means Vanguard Investment Australia Limited ABN 72 072 881 086 AFSL No 227263 or any other person appointed as responsible entity or trustee of the Wholesale Funds.

**Resolutions** means the two Resolutions (Resolution 1 and Resolution 2) set out in section 1 of the Notice of Meeting.

**Self-Certification** means a valid self-certification provided by a person under which the person provides information for the purposes of FATCA and CRS, including without limitation information regarding the person's tax residency status.

**Small Balance Account Holders** means an Ordinary Member as at the Implementation Record Time who, based on the number of Ordinary Units they hold in the Wholesale Fund as at the Implementation Record Time, holds less than one (1) Ordinary Unit.

**Tax Act** means the *Income Tax Assessment Act 1997* (Cth).

**TFN Information** means all information that is kept by Vanguard in relation to the quotation of an Australian tax file number by the Member to Vanguard in respect of their investment in a Wholesale Fund, including, without limitation, the Australian tax file number of the Member, the Australian business number of the Member and any details of any exemption from quoting an Australian tax file number to Vanguard.

**Unit** means an undivided share in the beneficial interest of a Wholesale Fund as provided in the Constitution.

**Vanguard Personal Investor** means Vanguard Personal Investor, being an Investor Directed Portfolio Service (**IDPS**), operated by Vanguard.

**Vanguard Personal Investor Guide** means the Vanguard Personal Investor Guide dated 30 May 2023, which can be accessed at [www.vanguard.com.au/personal/support/pds-and-offer-documents](http://www.vanguard.com.au/personal/support/pds-and-offer-documents) and included in Annexure D.

**Voting Eligibility Time** means when eligibility to vote is determined, 7pm on Sunday 13 August 2023.

**Voting Member** means:

- (a) in respect of each Wholesale Fund except the Vanguard Global Infrastructure Index Fund and Vanguard International Small Companies Index Fund, Ordinary Members; and
- (b) in respect of the Vanguard Global Infrastructure Index Fund and Vanguard International Small Companies Index Fund, Ordinary Members and Non-Affected Members.

**Wholesale Funds** means the managed investment schemes of which Vanguard acts as responsible entity set out in Annexure A.

# Annexure A – Wholesale Funds

WHOLESALE FUND NAME (Alphabetical order)	ARSN	CLASSES <sup>22</sup>				QUORUM	ADJOURNMENT
		WHOLESALE CLASS UNITS	AUD HEDGED CLASS UNITS	ETF CLASS UNITS	NZD HEDGED CLASS UNITS		
<b>Vanguard Active Global Growth Fund</b>	632 655 577	APIR code: VAN0722AU  Included	-	-	-	At least 2 Members present in person or by proxy together holding or representing at least 5% of all Units in the fund.  If a quorum is not present within 15 minutes after the scheduled time for the Meeting, the Meeting is adjourned to such time and place as Vanguard decides.  At any adjourned meeting, those Members present in person or by proxy constitute a quorum.	The Chair has the power to adjourn a Meeting for any reason to such place and time as the Chair thinks fit.
<b>Vanguard Australian Corporate Fixed Interest Index Fund</b>	147 938 001	APIR code: VAN0065AU  Included	-	ASX code: VACF  Not included	-	At least 2 Members present in person or by proxy together holding or representing at least 5% of all Units in the fund.  If a quorum is not present within 15 minutes after the scheduled time for the Meeting, the Meeting is adjourned to such time and place as Vanguard decides.  At any adjourned meeting, those Members present in person or by proxy constitute a quorum.	The Chair has the power to adjourn a Meeting for any reason to such place and time as the Chair thinks fit.
<b>Vanguard Australian Fixed Interest Index Fund</b>	090 939 941	APIR code: VAN0001AU  Included	-	ASX code: VAF  Not included	-	Not less than 5 Members in the Fund holding or representing by proxy not less than 15% of the Units on issue in the Fund.  If a quorum is not present within 30 minutes from the time appointed for the Meeting, the Meeting is adjourned to such time and place as Vanguard decides.  At the adjourned Meeting, 2 Unit Holders in the fund will constitute a quorum.  If no quorum is present at the resumed meeting within 30 minutes after the time for the start of the meeting, the meeting is dissolved.	The Chair, with the consent of any meeting at which a quorum is present may, and must, if so directed by an ordinary resolution, adjourn the meeting from time to time and from place to place.
<b>Vanguard Australian Government Bond Index Fund</b>	134 177 807	APIR code: VAN0025AU  Included	-	ASX code: VGB  Not included	-	At least 2 Members present in person or by proxy.  If a quorum is not present within 15 minutes after the scheduled time for the Meeting, the Meeting is adjourned to such time and place as Vanguard decides.  At any adjourned meeting, those Members present in person or by proxy constitute a quorum.	The Chair has the power to adjourn a Meeting for any reason to such place and time as the Chair thinks fit.

22. A reference in this table to 'included' means that the relevant class of units is included in the Proposal and units in that class are considered 'Ordinary Units' for the purposes of this Explanatory Memorandum. A reference in this table to 'Not included' means that the relevant class of units is not included in the Proposal and units in that class are considered 'Non-Affected Units' for the purposes of this Explanatory Memorandum. 'In the case of the Vanguard Global Infrastructure Index Fund and Vanguard International Small Companies Index Fund, 'included' also indicates that Voting Members are Ordinary Members and Non-Affected Members.

WHOLESALE FUND NAME (Alphabetical order)	ARSN	CLASSES <sup>22</sup>				QUORUM	ADJOURNMENT
		WHOLESALE CLASS UNITS	AUD HEDGED CLASS UNITS	ETF CLASS UNITS	NZD HEDGED CLASS UNITS		
<b>Vanguard Australian Inflation-Linked Bond Index Fund</b>	147 936 249	APIR code: VAN0064AU  Included	-	-	-	At least 2 Members present in person or by proxy together holding or representing at least 5% of all Units in the fund.  If a quorum is not present within 15 minutes after the scheduled time for the Meeting, the Meeting is adjourned to such time and place as Vanguard decides.  At any adjourned meeting, those Members present in person or by proxy constitute a quorum.	The Chair has the power to adjourn a Meeting for any reason to such place and time as the Chair thinks fit.
<b>Vanguard Australian Property Securities Index Fund</b>	090 939 549	APIR code: VAN0004AU  Included	-	ASX code: VAP  Not included	-	5 Members in the Fund holding or representing by proxy not less than 15% of the Units on issue in the Fund.  If no quorum is present within 30 minutes, the Meeting is adjourned to such time and place as Vanguard decides.  At the adjourned Meeting, 2 Unit Holders in the fund will constitute a quorum.  If no quorum is present at the resumed meeting within 30 minutes after the time for the start of the meeting, the meeting is dissolved.	The Chair, with the consent of any meeting at which a quorum is present may, and must, if so directed by an ordinary resolution, adjourn the meeting from time to time and from place to place.
<b>Vanguard Australian Shares High Yield Fund</b>	091 751 807	APIR code: VAN0104AU  Included	-	ASX code: VHY  Not included	-	2 Members present in person or by proxy.  If a quorum is not present within 30 minutes after the scheduled time for the Meeting, the Meeting is adjourned to such time and place as Vanguard decides.  If no quorum is present at the resumed meeting within 30 minutes after the time for the start of the meeting, the meeting is dissolved.	The Chair may adjourn a Meeting with the consent of the majority of Members present.
<b>Vanguard Australian Shares Index Fund</b>	090 939 718	APIR code: VAN0002AU  Included	-	ASX code: VAS  Not included	-	5 Members in the fund holding or representing by proxy not less than 15% of the Units on issue in the fund.  If a quorum is not present within 30 minutes after the scheduled time for the Meeting, the Meeting is adjourned to such time and place as Vanguard decides.  At the resumed meeting, 2 Members constitute a Quorum.  If no quorum is present at the resumed meeting within 30 minutes after the time for the start of the meeting, the meeting is dissolved.	The Chair, with the consent of any meeting at which a quorum is present may, and must, if so directed by an ordinary resolution, adjourn the meeting from time to time and from place to place.

WHOLESALE FUND NAME (Alphabetical order)	ARSN	CLASSES <sup>22</sup>				QUORUM	ADJOURNMENT
		WHOLESALE CLASS UNITS	AUD HEDGED CLASS UNITS	ETF CLASS UNITS	NZD HEDGED CLASS UNITS		
<b>Vanguard Balanced Index Fund</b>	101 565 431	APIR code: VAN0108AU  Included	-	ASX code: VDBA  Not included	-	2 Members present in person or by proxy.  If a quorum is not present within 30 minutes after the scheduled time for the Meeting, the Meeting is adjourned to such time and place as Vanguard decides.  If no quorum is present at the resumed meeting within 30 minutes after the time for the start of the meeting, the meeting is dissolved.	The Chair may adjourn a meeting with the consent of the majority of Members present.
<b>Vanguard Cash Reserve Fund</b>	127 015 301	APIR code: VAN0020AU  Included	-	-	-	At least 2 Members present in person or by proxy.  If a quorum is not present within 15 minutes after the scheduled time for the Meeting, the Meeting is adjourned to such time and place as Vanguard decides.  At any adjourned meeting, those Members present in person or by proxy constitute a quorum.	The Chair has the power to adjourn a Meeting for any reason to such place and time as the Chair thinks fit.
<b>Vanguard Conservative Index Fund</b>	101 565 351	APIR code: VAN0109AU  Included	-	ASX code: VDCO  Not included	-	At least 2 Members present in person or by proxy.  If a quorum is not present within 30 minutes after the scheduled time for the Meeting, the Meeting is adjourned to such time and place as Vanguard decides.  If no quorum is present at the resumed meeting within 30 minutes after the time for the start of the meeting, the meeting is dissolved.	The Chair may adjourn a meeting with the consent of the majority of Members present.
<b>Vanguard Diversified Bond Index Fund</b>	147 937 728	APIR code: VAN0042AU  Included	-	-	-	At least 2 Members present in person or by proxy together holding or representing at least 5% of all Units in the fund.  If a quorum is not present within 15 minutes after the scheduled time for the Meeting, the Meeting is adjourned to such time and place as Vanguard decides.  At any adjourned meeting, those Members present in person or by proxy constitute a quorum.	The Chair has the power to adjourn a Meeting for any reason to such place and time as the Chair thinks fit.

WHOLESALE FUND NAME (Alphabetical order)	ARSN	CLASSES <sup>22</sup>				QUORUM	ADJOURNMENT
		WHOLESALE CLASS UNITS	AUD HEDGED CLASS UNITS	ETF CLASS UNITS	NZD HEDGED CLASS UNITS		
<b>Vanguard Emerging Markets Shares Index Fund</b>	090 939 450	APIR code: VAN0005AU  Included	-	-	-	<p>Not less than 5 Members in the Fund holding or representing by proxy not less than 15% of the Units on issue in the Fund.</p> <p>If a quorum is not present within 30 minutes after the scheduled time for the Meeting, the Meeting is adjourned to such time and place as Vanguard decides.</p> <p>At the adjourned meeting, 2 Members in the fund will constitute a quorum.</p> <p>If no quorum is present at the resumed meeting within 30 minutes after the time for the start of the meeting, the meeting is dissolved.</p>	<p>The Chair, with the consent of any meeting at which a quorum is present may, and must, if so directed by an ordinary resolution, adjourn the meeting from time to time and from place to place.</p>
<b>Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)</b>	618 349 090	-	APIR code: VAN2989AU  Included	ASX code: VEFI  Not included	APIR code: VAN1233AU  Not included	<p>At least 2 Members present in person or by proxy together holding or representing at least 5% of all Units in the fund.</p> <p>If a quorum is not present within 15 minutes after the scheduled time for the Meeting, the Meeting is adjourned to such time and place as Vanguard decides.</p> <p>At any adjourned meeting, those Members present in person or by proxy constitute a quorum.</p>	<p>The Chair has the power to adjourn a Meeting for any reason to such place and time as the Chair thinks fit.</p>
<b>Vanguard Ethically Conscious International Shares Index Fund</b>	626 133 275	APIR code: VAN8175AU  Included	APIR code: VAN0848AU  Not included	ASX code: VESG  Not included	APIR code: VAN4013AU  Not included	<p>At least 2 Members present in person or by proxy together holding or representing at least 5% of all Units in the fund.</p> <p>If a quorum is not present within 15 minutes after the scheduled time for the Meeting, the Meeting is adjourned to such time and place as Vanguard decides.</p> <p>At any adjourned meeting, those Members present in person or by proxy constitute a quorum.</p>	<p>The Chair has the power to adjourn a Meeting for any reason to such place and time as the Chair thinks fit.</p>
<b>Vanguard Global Aggregate Bond Index Fund</b>	618 350 539	APIR code: VAN9309AU  Included	-	ASX code: VBND  Not included	-	<p>At least 2 Members present in person or by proxy together holding or representing at least 5% of all Units in the fund.</p> <p>If a quorum is not present within 15 minutes after the scheduled time for the Meeting, the Meeting is adjourned to such time and place as Vanguard decides.</p> <p>At any adjourned meeting, those Members present in person or by proxy constitute a quorum.</p>	<p>The Chair has the power to adjourn a Meeting for any reason to such place and time as the Chair thinks fit.</p>

WHOLESALE FUND NAME (Alphabetical order)	ARSN	CLASSES <sup>22</sup>				QUORUM	ADJOURNMENT
		WHOLESALE CLASS UNITS	AUD HEDGED CLASS UNITS	ETF CLASS UNITS	NZD HEDGED CLASS UNITS		
<b>Vanguard Global Infrastructure Index Fund</b>	128 385 277	APIR code: VAN0023AU Included	-	ASX code: VBLD Not included <sup>23</sup>	-	At least 2 Members present in person or by proxy. If a quorum is not present within 15 minutes after the scheduled time for the Meeting, the Meeting is adjourned to such time and place as Vanguard decides. At any adjourned meeting, those Members present in person or by proxy constitute a quorum.	The Chair has the power to adjourn a Meeting for any reason to such place and time as the Chair thinks fit.
<b>Vanguard Global Infrastructure Index Fund (Hedged)</b>	128 385 197	APIR code: VAN0024AU Included	-	-	-	At least 2 Members present in person or by proxy. If a quorum is not present within 15 minutes after the scheduled time for the Meeting, the Meeting is adjourned to such time and place as Vanguard decides. At any adjourned meeting, those Members present in person or by proxy constitute a quorum.	The Chair has the power to adjourn a Meeting for any reason to such place and time as the Chair thinks fit.
<b>Vanguard Global Minimum Volatility Fund</b>	165 787 708	APIR code: VAN0068AU Included	-	ASX code: VMIN Not included	-	At least 2 Members present in person or by proxy together holding or representing at least 5% of all Units in the fund. If a quorum is not present within 15 minutes after the scheduled time for the Meeting, the Meeting is adjourned to such time and place as Vanguard decides. At any adjourned meeting, those Members present in person or by proxy constitute a quorum.	The Chair has the power to adjourn a Meeting for any reason to such place and time as the Chair thinks fit.
<b>Vanguard Global Value Equity Fund</b>	613 053 062	APIR code: VAN0074AU Included	-	ASX code: VVLU Not included	-	At least 2 Members present in person or by proxy together holding or representing at least 5% of all Units in the fund. If a quorum is not present within 15 minutes after the scheduled time for the Meeting, the Meeting is adjourned to such time and place as Vanguard decides. At any adjourned meeting, those Members present in person or by proxy constitute a quorum.	The Chair has the power to adjourn a Meeting for any reason to such place and time as the Chair thinks fit.
<b>Vanguard Growth Index Fund</b>	101 565 520	APIR code: VAN0110AU Included	-	ASX code: VDGR Not included	-	At least 2 Members present in person or by proxy. If a quorum is not present within 30 minutes after the scheduled time for the Meeting, the Meeting is adjourned to such time and place as Vanguard decides. If no quorum is present at the resumed meeting within 30 minutes after the time for the start of the meeting, the meeting is dissolved.	The Chair may adjourn a meeting with the consent of the majority of Members present.

23. While the ETF class units are 'Non-Affected Units' and the Proposal will not apply to, or be implemented in respect of these units, members who hold these units will be eligible to vote on the Proposal.



WHOLESALE FUND NAME (Alphabetical order)	ARSN	CLASSES <sup>22</sup>				QUORUM	ADJOURNMENT
		WHOLESALE CLASS UNITS	AUD HEDGED CLASS UNITS	ETF CLASS UNITS	NZD HEDGED CLASS UNITS		
<b>Vanguard High Growth Index Fund</b>	101 565 637	APIR code: VAN0111AU  Included	-	ASX code: VDHG  Not included	-	2 Members present in person or by proxy. If a quorum is not present within 30 minutes after the scheduled time for the Meeting, the Meeting is adjourned to such time and place as Vanguard decides. If no quorum is present at the resumed meeting within 30 minutes after the time for the start of the meeting, the meeting is dissolved.	The Chair may adjourn a meeting with the consent of the majority of Members present.
<b>Vanguard International Credit Securities Index Fund (Hedged)</b>	095 366 055	APIR code: VAN0106AU  Included	-	ASX code: VCF  Not included	-	2 Members present in person or by proxy. If a quorum is not present within 30 minutes after the scheduled time for the Meeting, the Meeting is adjourned to such time and place as Vanguard decides. If no quorum is present at the resumed Meeting within 30 minutes after the scheduled time for the Meeting, the Meeting is dissolved.	The Chair may adjourn a meeting with the consent of the majority of Members present.
<b>Vanguard International Fixed Interest Index Fund (Hedged)</b>	090 940 337	APIR code: VAN0103AU  Included	-	ASX code: VIF  Not included	-	2 Members present in person or by proxy If a quorum is not present within 30 minutes after the scheduled time for the Meeting, the Meeting is adjourned to such time and place as Vanguard decides. If no quorum is present at the resumed meeting within 30 minutes after the time for the start of the meeting, the meeting is dissolved.	The Chair may adjourn a meeting with the consent of the majority of Members present.
<b>Vanguard International Property Securities Index Fund</b>	115 001 002	APIR code: VAN0018AU  Included	-	-	-	At least 2 Members present in person or by proxy. If a quorum is not present within 15 minutes after the scheduled time for the Meeting, the Meeting is adjourned to such time and place as Vanguard decides. At any adjourned meeting, those Members present in person or by proxy constitute a quorum.	The Chair has the power to adjourn a Meeting for any reason to such place and time as the Chair thinks fit.
<b>Vanguard International Property Securities Index Fund (Hedged)</b>	115 001 360	APIR code: VAN0019AU  Included	-	-	-	At least 2 Members present in person or by proxy. If a quorum is not present within 15 minutes after the scheduled time for the Meeting, the Meeting is adjourned to such time and place as Vanguard decides. At any adjourned meeting, those Members present in person or by proxy constitute a quorum.	The Chair has the power to adjourn a Meeting for any reason to such place and time as the Chair thinks fit.

WHOLESALE FUND NAME (Alphabetical order)	ARSN	CLASSES <sup>22</sup>				QUORUM	ADJOURNMENT
		WHOLESALE CLASS UNITS	AUD HEDGED CLASS UNITS	ETF CLASS UNITS	NZD HEDGED CLASS UNITS		
<b>Vanguard International Shares Index Fund</b>	090 939 610	APIR code: VAN0003AU Included	-	ASX code: VGS Not included	-	At least 2 Members present in person or by proxy. If a quorum is not present within 30 minutes after the scheduled time for the Meeting, the Meeting is adjourned to such time and place as Vanguard decides. If no quorum is present at the resumed meeting within 30 minutes after the time for the start of the meeting, the meeting is dissolved.	The Chair, with the consent of any meeting at which a quorum is present may, and must, if so directed by Ordinary Resolution, adjourn the meeting from time to time and from place to place.
<b>Vanguard International Shares Index Fund (Hedged)</b>	093 254 909	-	APIR code: VAN0105AU Included	-	-	2 Members present in person or by proxy. If a quorum is not present within 30 minutes after the scheduled time for the Meeting, the Meeting is adjourned to such time and place as Vanguard decides. If no quorum is present at the resumed meeting within 30 minutes after the time for the start of the meeting, the meeting is dissolved.	The Chair may adjourn a meeting with the consent of the majority of Members present.
<b>Vanguard International Shares Select Exclusions Index Fund</b>	613 045 739	APIR code: VAN1579AU Included	APIR code: VAN3200AU Included	-	APIR code: VAN8287AU Not included	At least 2 Members present in person or by proxy together holding or representing at least 5% of all Units in the fund. If a quorum is not present within 15 minutes after the scheduled time for the Meeting, the Meeting is adjourned to such time and place as Vanguard decides. At any adjourned meeting, those Members present in person or by proxy constitute a quorum.	The Chair has the power to adjourn a Meeting for any reason to such place and time as the Chair thinks fit.
<b>Vanguard International Small Companies Index Fund</b>	127 015 472	APIR code: VAN0021AU Included	-	ASX code: VISM Not included <sup>24</sup>	-	At least 2 Members present in person or by proxy. If a quorum is not present within 15 minutes after the scheduled time for the Meeting, the Meeting is adjourned to such time and place as Vanguard decides. At any adjourned meeting, those Members present in person or by proxy constitute a quorum.	The Chair has the power to adjourn a Meeting for any reason to such place and time as the Chair thinks fit.
<b>Vanguard International Small Companies Index Fund (Hedged)</b>	127 015 436	APIR code: VAN0022AU Included	-	-	-	At least 2 Members present in person or by proxy. If a quorum is not present within 15 minutes after the scheduled time for the Meeting, the Meeting is adjourned to such time and place as Vanguard decides. At any adjourned meeting, those Members present in person or by proxy constitute a quorum.	The Chair has the power to adjourn a Meeting for any reason to such place and time as the Chair thinks fit.

24. While the ETF class units are 'Non-Affected Units' and the Proposal will not apply to, or be implemented in respect of these units, members who hold these units will be eligible to vote on the Proposal.

WHOLESALE FUND NAME (Alphabetical order)	ARSN	CLASSES <sup>22</sup>				QUORUM	ADJOURNMENT
		WHOLESALE CLASS UNITS	AUD HEDGED CLASS UNITS	ETF CLASS UNITS	NZD HEDGED CLASS UNITS		
<b>Vanguard Short Term Fixed Interest Fund</b>	090 940 060	APIR code: VAN0102AU Included	-	-	-	At least 2 persons holding or representing by proxy at least 10% of the total number of Units in the fund on issue with voting rights. If a quorum is not present within 30 minutes after the scheduled time for the Meeting, the Meeting is adjourned to such time and place as Vanguard decides. If no quorum is present at the resumed Meeting within 30 minutes after the scheduled time for the meeting, the Meeting is dissolved.	The Chair may adjourn a meeting with the consent of the majority of Members present.

# Annexure B – Constitution Amendments

The Constitution of the Vanguard Global Value Equity Fund is amended by inserting the following new clause 13A. The Constitutions of the remaining Wholesale Funds are amended on the same basis as the Constitution of the Vanguard Global Value Equity Fund, unless stated otherwise in the accompanying blue notes. The supplemental deeds for each Wholesale Fund and the related amendments to the Constitution of each Wholesale Fund can be accessed as at the relevant link as set out in the table below.

## '13A Proposal

**Note:** The references to '13A' throughout the Constitution amendments will be replaced in respect of the following Wholesale Funds as follows:

- in respect of the Vanguard Active Global Growth Fund, '14A';
- in respect of the Vanguard Global Infrastructure Index Fund, Vanguard International Small Companies Index Fund, Vanguard Cash Reserve Fund, Vanguard Global Infrastructure Fund (Hedged), Vanguard International Property Securities Index Fund (Hedged), Vanguard International Property Securities Index Fund, Vanguard International Small Companies Index Fund (Hedged) and Vanguard Australian Government Bond Index Fund, '11A';
- in respect of the Vanguard Growth Index Fund, Vanguard High Growth Index Fund, Vanguard International Credit Securities Index Fund (Hedged), Vanguard International Fixed Interest Index Fund (Hedged), Vanguard Australian Shares High Yield Fund, Vanguard Balanced Index Fund, Vanguard Conservative Index Fund, Vanguard International Shares Index Fund (Hedged) and Vanguard Short Term Fixed Interest Fund, '6A';
- in respect of the Vanguard International Shares Index Fund and Vanguard Emerging Markets Shares Index Fund, '24A'; and
- in respect of the Vanguard Australian Fixed Interest Index Fund, Vanguard Australian Property Securities Index Fund and Vanguard Australian Shares Index Fund, '23A'.

### 13A.1 Defined terms

In this clause 13A, these words and phrases have the following meaning unless the contrary intention appears:

**Note:** In respect of Wholesale Funds with an AUD Hedged Class, the following definition will be included:

**AUD Hedged Class** means the class of Units designated by the Responsible Entity as the 'AUD Hedged Class'.

The supplemental deed in respect of each Wholesale Fund can be accessed at the relevant link as set out in the below table.

**CRS** means the Organisation for Economic Cooperation and Development's Common Reporting Standard for Automatic Exchange of Financial Account Information, and all associated rules and regulations from time to time (including, without limitation, any Competent Authority Agreement relating to the above and Subdivision 396-C of Schedule 1 to the Taxation Administration Act 1953 (Cth)).

**Deed Poll** means the deed poll for Vanguard Personal Investor.

**Designated Signatory or Representative Appointment** means a document or arrangement (including a power of attorney) pursuant to which a Participating Ordinary Unit Holder appoints or nominates a person or persons to operate, administer, transact and/or otherwise act on behalf of the Participating Ordinary Unit Holder in relation to their investment in the Fund.

**FATCA** means:

- (a) sections 1471 to 1474 of the U.S. Internal Revenue Code of 1986 or any associated regulations;
- (b) any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the U.S. and any other jurisdiction, which (in either case) facilitates the implementation of any law or regulation referred to in paragraph (a) above, including without limitation Subdivision 396-A of Schedule 1 to the Taxation Administration Act 1953 (Cth); or
- (c) any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraphs (a) or (b) above with the U.S. Internal Revenue Service, the U.S. government or any governmental or taxation authority in any other jurisdiction.

**Foreign Resident Unit Holder** means an Ordinary Unit Holder as at the Implementation Record Time with a registered address on the Register outside of the Commonwealth of Australia.

**IDPS Contract** means the IDPS contract for Vanguard Personal Investor.

**IDPS Guide** means the IDPS Guide for Vanguard Personal Investor.

**Implementation Date** means the date or dates (including a date or dates that are not a Business Day) for the implementation of the Proposal including in particular the Implementation Steps in clause 13A.2(b)(ii) as determined by the Responsible Entity.

**Implementation Record Time** means:

- (a) the day immediately preceding the Implementation Date, or where there is more than one Implementation Date, the first Implementation Date; or
- (b) or such other date determined by the Responsible Entity.

**Implementation Steps** means those implementation steps set out at clause 13A.2(b)(ii).

**Meeting** means the meeting of Ordinary Unit Holders held to consider and vote on the Resolutions.

***Note:** In respect of Wholesale Funds without Non-Affected Members, and the Vanguard Global Infrastructure Index Fund and the Vanguard International Small Companies Index Fund, the references to 'Ordinary Unit Holders' in the definition of 'Meeting' will be replaced by references to 'Unit Holders' or, if this term is not defined in the Constitution of the relevant Wholesale Fund, 'Members'.*

*The supplemental deed in respect of each Wholesale Fund can be accessed at the relevant link as set out in the below table.*

**Meeting Documents** means the notice of meeting and explanatory memorandum for the Fund in respect of the Meeting issued by the Responsible Entity dated on or about 12 July 2023 as may be amended or supplemented.

**Member Elections** means elections or instructions provided by a Participating Ordinary Unit Holder to the Responsible Entity in connection with their Ordinary Units and the Fund in relation to the following:

- (a) distributions being reinvested or made in cash;
- (b) receipt of communications and documents in physical or electronic form;

- (c) opting-out of receiving marketing materials; and
- (d) granting their financial adviser access to view their investment information directly or through aggregators.

**Non-Consenting Signatory/Representative Unit Holder** means an Ordinary Unit Holder that notifies the Responsible Entity in accordance with clause 13A.13(c) that they do not provide their consent to the receipt, use and reliance by the Vanguard Personal Investor Operator of their Designated Signatory or Representative Appointment in accordance with clause 13A.13(a).

**Non-Consenting TFN Unit Holder** means a Participating Ordinary Unit Holder that notifies the Responsible Entity in accordance with clause 13A.10(c) that they do not provide their consent to the use by the Vanguard Personal Investor Operator of their TFN Information in accordance with clause 13A.10(a).

**Non-Consenting Account Unit Holder** means an Ordinary Unit Holder that notifies the Responsible Entity in accordance with clause 13A.3(g) that they do not provide their consent to the use of their Vanguard Personal Investor Account for the purposes of implementation of the Proposal in accordance with clause 13A.3(f).

**Note:** *In respect of Wholesale Funds with an NZD Hedged Class, the following definition will be included:*

**NZD Hedged Class** means the class of Units designated by the Responsible Entity as the 'NZD Hedged Class'.

*The supplemental deed in respect of each Wholesale Fund can be accessed at the relevant link as set out in the below table.*

**Opted Out Ordinary Unit Holder** means an Ordinary Unit Holder that notifies the Responsible Entity (including by authorising the Responsible Entity to provide such notice on behalf of the Ordinary Unit Holder) prior to 10 am Sunday 13 August 2023 that they do not want to participate in the transfer of Ordinary Units to Vanguard Personal Investor in accordance with clause 13A.2(b)(ii) and want to remain invested directly in the Fund.

**Ordinary Class** means the Wholesale Class.

**Note:** *In respect of the Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged) and the Vanguard International Shares Index Fund (Hedged), the definition of 'Ordinary Class' will be replaced as follows:*

**Ordinary Class** means the AUD Hedged Class.

**Note:** *In respect of the Vanguard International Shares Select Exclusions Index Fund, the definition of 'Ordinary Class' will be replaced as follows:*

**Ordinary Class** means the Wholesale Class and the AUD Hedged Class.

*The supplemental deed in respect of each Wholesale Fund can be accessed at the relevant link as set out in the below table.*

**Ordinary Unit** means a Unit in the Ordinary Class as at the Implementation Record Time.

**Ordinary Unit Holder** means a Member who holds a Unit in the Ordinary Class as at the Implementation Record Time.

**Participating Ordinary Unit Holder** means an Ordinary Unit Holder except a Foreign Resident Unit Holder, Small Balance Unit Holder or Opted Out Ordinary Unit Holder.

**Pre Implementation Date** means the date or dates (including a date or dates that are not a Business Day) for the implementation of Pre Implementation Steps in clause 13A.2(b)(i) as determined by the Responsible Entity and being a date or dates prior to the Implementation Date.

**Pre Implementation Steps** means those implementation steps set out at clause 13A.2(b)(i).

**Proposal** means the proposal described in the Meeting Documents under which Participating Ordinary Unit Holders will transfer their Ordinary Units to the Vanguard Personal Investor Operator to be held on trust in their Vanguard Personal Investor Account, and includes the transactions contemplated in this clause 13A.

**Proposal Withdrawal Amount** means for an Ordinary Unit, the Redemption Amount calculated in accordance with clause 8.1(b), where each of the variables in clause 8.1(b)(ii) (other than the Transaction Costs) are determined as at the first Valuation Time on the Pre Implementation Date and where the Transaction Costs is the Responsible Entity's most recent estimate as at that Valuation Time.

***Note:** The references to clauses 8.1(b) and 8.1(b)(ii) in the definition of 'Proposal Withdrawal Amount' refer to the Redemption Amount calculation provisions and will be amended in respect of each Wholesale Fund to refer to the equivalent provisions in the relevant Constitution.*

***Note:** The following references in the definition of 'Proposal Withdrawal Amount' will be replaced in respect of each Wholesale Fund to refer to the following equivalent defined terms in the relevant Constitution:*

- (a) 'Redemption Amount' will be replaced with 'Withdrawal Amount';*
- (b) 'Transaction Costs' will be replaced with 'Transaction Cost Factor' or 'Withdrawal Transaction Cost Factor' (whichever is relevant); and*
- (c) 'Valuation Time' will be replaced with 'Valuation Point'.*

***Note:** In respect of the Vanguard International Shares Index Fund (Hedged) the definition of 'Proposal Withdrawal Amount' will be replaced with the following:*

***Proposal Withdrawal Amount** means for an Ordinary Unit, the Withdrawal Amount calculated in accordance with the definition in clause 1.1 on a per Unit basis, where each of the variables in the definition of 'Withdrawal Price' in clause 1.1 (for the purpose of the definition of 'Withdrawal Amount') (other than the Transaction Cost Factor) are determined as at the first Valuation Point on the Pre Implementation Date and where the Transaction Cost Factor is the Responsible Entity's most recent estimate as at that Valuation Point.*

*The supplemental deed in respect of each Wholesale Fund can be accessed at the relevant link as set out in the below table.*

**Relevant Vanguard Personal Investor Account** means, in relation to a Participating Ordinary Unit Holder, a Vanguard Personal Investor Account that is linked to the Participating Ordinary Unit Holder's account for their current holding of Ordinary Units and is capable of being used for implementation of the Proposal.

**Resolutions** means the following resolutions:

- (a) a special resolution to amend the Deed to insert this clause 13A; and
- (b) an ordinary resolution to approve the Proposal.

**Self-Certification** means a valid self-certification provided by a person under which the person provides information for the purposes of FATCA and CRS, including without limitation information regarding the person's tax residency status.



**Small Balance Unit Holders** means an Ordinary Unit Holder as at the Implementation Record Time who, based on the number of Ordinary Units they hold in the Fund as at the Pre Implementation Date, holds less than one Ordinary Unit.

**TFN Information** means, in respect of a Participating Ordinary Unit Holder, all information that is kept by the Responsible Entity in relation to the quotation of an Australian tax file number by the Participating Ordinary Unit Holder to the Responsible Entity in respect of their investment in the Fund, including, without limitation, the Australian tax file number of the Participating Ordinary Unit Holder, the Australian business number of the Participating Ordinary Unit Holder and any details of any exemption from quoting an Australian tax file number to the Responsible Entity.

**Vanguard Personal Investor** means Vanguard Personal Investor, being an investor directed portfolio service operated by the Vanguard Personal Investor Operator.

**Vanguard Personal Investor Account** means an account with Vanguard Personal Investor.

**Vanguard Personal Investor Operator** means Vanguard Investments Australia Ltd ABN 72 072 881 086 in its capacity as operator of Vanguard Personal Investor and, where relevant, a particular Vanguard Personal Investor Account.

**Wholesale Class** means the class of Units designated by the Responsible Entity as the 'Wholesale Class' of Units.

***Note:** In respect of the Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged) and the Vanguard International Shares Index Fund (Hedged), the definition of 'Wholesale Class' will be deleted.*

*The supplemental deed in respect of each Wholesale Fund can be accessed at the relevant link as set out in the below table.*

***Note:** The following terms used in this new clause 13A will be replaced with the following for the purposes of this clause to align with the equivalent defined terms in each Wholesale Fund Constitution:*

- (a) 'Trust' will be replaced with 'Fund'*
- (b) 'Deed' will be replaced with 'Constitution'*
- (c) 'Member' will be replaced with 'Unit Holder'.*

### **13A.2 Power to implement the Proposal**

- (a) Subject to the Corporations Act, the Responsible Entity is empowered to do all things and execute all deeds, applications, forms and other documents which it considers necessary, desirable or incidental for the purpose of implementing or giving effect to the Proposal including those transactions contemplated by it and those powers apply notwithstanding, and are not limited by, any other provision of this Deed.
- (b) Without limiting clauses 13A.2(a) and 13A.7, the Responsible Entity has the power to, and is authorised to:
  - (i) on the Pre Implementation Dates:
    - (A) redeem all Ordinary Units held by Small Balance Unit Holders for cash at the Proposal Withdrawal Amount in respect of all Ordinary Units held by a Small Balance Unit Holder and pay the relevant redemption proceeds to each Small Balance Unit Holder; and
  - (ii) on the Implementation Dates, pursuant to the power of attorney provided to the Responsible Entity by each Participating Ordinary Unit Holder under clause 13A.7, on behalf of each Participating Ordinary Unit Holder:

- (A) if the Participating Ordinary Unit Holder does not, as at the Implementation Record Time, hold a Vanguard Personal Investor Account or holds a Vanguard Personal Investor Account that is not a Relevant Vanguard Personal Investor Account or is a Non-Consenting Account Unit Holder, apply to the Vanguard Personal Investor Operator to open a Vanguard Personal Investor Account in the name of the Participating Ordinary Unit Holder to be used for the purpose of implementation of the Proposal, and if the Participating Ordinary Unit Holder does, as at the Implementation Record Time, hold a Vanguard Personal Investor Account that is a Relevant Vanguard Personal Investor Account, use the Participating Ordinary Unit Holder's Vanguard Personal Investor Account for the purpose of implementation of the Proposal (unless the Participating Ordinary Unit Holder has notified the Responsible Entity that it is a Non-Consenting Account Unit Holder in accordance with clause 13A.3(g));
- (B) transfer the Participating Ordinary Unit Holder's Ordinary Units to the Vanguard Personal Investor Operator for the Vanguard Personal Investor Operator to hold as bare trustee and agent for the Participating Ordinary Unit Holder in their Vanguard Personal Investor Account;
- (iii) do all things and execute all deeds, applications, forms and other documents which the Responsible Entity considers necessary, desirable or incidental for the purpose of implementing or giving effect to the transfer of Ordinary Units by each Participating Ordinary Unit Holder to the Vanguard Personal Investor Operator as contemplated under clause 13A.2(b)(ii)(B), including, without limitation, by registering the transfer and entering in the Register the Vanguard Personal Investor Operator's name as the holder of the Ordinary Units in the Fund; and
- (iv) in relation to the implementation of the Proposal, to deal with any fractional entitlements to a cent or an Ordinary Class Unit in such manner as determined by the Responsible Entity.

### **13A.3 Implementation of Proposal**

- (a) Each Ordinary Unit Holder and the Responsible Entity must do all things and execute all deeds, applications, forms and other documents which the Responsible Entity considers necessary, desirable or incidental to implement or give effect to the Proposal and the transaction contemplated by it.
- (b) The Responsible Entity may do any act, matter or thing pursuant to this clause 13A notwithstanding that it has an interest in the act, matter or thing or any outcome or consequence thereof.
- (c) Each Participating Ordinary Unit Holder appoints the Responsible Entity as their agent and attorney in relation to the implementation of the Proposal as provided for by, and pursuant to, clause 13A.7.
- (d) Each Participating Ordinary Unit Holder agrees to the transfer of their Ordinary Units by the Responsible Entity to the Vanguard Personal Investor Operator in accordance with clause 13A.2(b)(ii)(B).
- (e) Each Participating Ordinary Unit Holder who obtains a Vanguard Personal Investor Account following the application made by the Responsible Entity on behalf of the Participating Ordinary Unit Holder as provided for by clause 13A.2(b)(ii)(A), agrees to become an account holder of the Vanguard Personal Investor and to be bound by the terms of Vanguard Personal Investor, including the Deed Poll, IDPS Contract and IDPS Guide.
- (f) Each Participating Ordinary Unit Holder who holds a Vanguard Personal Investor Account that is a Relevant Vanguard Personal Investor Account, consents to the Responsible Entity using the Participating Ordinary Unit Holder's Vanguard Personal Investor Account for the purpose of implementation of the Proposal as provided for by clause 13A.2(b)(ii)(A), unless the Participating Ordinary Unit Holder has notified the Responsible Entity that it is a Non-Consenting Account Unit Holder in accordance with clause 13A.3(g).

- (g) If a Participating Ordinary Unit Holder does not consent to the use by the Responsible Entity of their Vanguard Personal Investor Account in accordance with clause 13A.2(b)(ii) (A), the Participating Ordinary Unit Holder may notify the Responsible Entity of this at least 7 Business Days prior to the Implementation Record Time in accordance with the procedures notified by the Responsible Entity to the Participating Ordinary Unit Holder in the Meeting Documents. Any Participating Ordinary Unit Holder who so notifies the Responsible Entity will become a Non-Consenting Account Unit Holder from that time.
- (h) Each Participating Ordinary Unit Holder consents to the Responsible Entity doing all things and executing all deeds, applications, forms and other documents which the Responsible Entity considers necessary, desirable or incidental for the purpose of implementing or giving effect to the Proposal and the transaction contemplated by it.
- (i) Without limiting clause 21.9, the Responsible Entity agrees that all costs, charges, fees, expenses or taxes reasonably and properly incurred by the Responsible Entity in relation to, and in connection with, the Proposal and the transactions contemplated by it or their implementation (including, without limitation, in circumstances where the Proposal does not proceed and is not completed) (**Proposal Costs**) that are capable of, and which the Responsible Entity seeks to be paid or reimbursed out of the Assets of the Fund are limited to an amount equal to the Net Asset Value of the Class for the Ordinary Class and will be treated as Class Liability of the Ordinary Class so that they are attributable to the Ordinary Class only (but are not attributable to the ETF Class). For the avoidance of doubt Proposal Costs will not, under clause 21.9 or this clause 13A.3(i), be payable or reimbursable out of the Assets of the Fund for any Proposal Costs in excess of the Net Asset Value of the Class for the Ordinary Class.

**Note:** *In respect of Wholesale Funds with Non-Affected Members, the reference to 'ETF Class' in this clause 13A.3(i) will be amended to refer to each class of the Non-Affected Units.*

**Note:** *In respect of Wholesale Funds without Non-Affected Members, and the Vanguard Global Infrastructure Index Fund and Vanguard International Small Companies Index Fund, this clause 13A.3(i) will be replaced as follows:*

- (i) *Without limiting clause 21.9, all Costs reasonably and properly incurred by the Responsible Entity in relation to, and in connection with, the Proposal including implementing or giving effect to the Proposal and the transactions contemplated by it (including, without limitation, in circumstances where the Proposal does not proceed and is not completed) are payable or reimbursable out of the Assets of the Fund.*

*The reference to 'Costs' in the above clause (i) will be replaced with 'expenses' or similar language where the Constitution for a Wholesale Fund does not include an equivalent defined term to 'Costs'.*

**Note:** *The references to clause 21.9 in this clause 13A.3(i) (which refer to the Responsible Entity's power to recover certain expenses from the assets of the Fund) will be amended in respect of each Wholesale Fund to refer to the equivalent provisions of the relevant Constitution.*

**Note:** *The reference to 'Net Asset Value of the Class' will be replaced with 'Net Class Value' or the equivalent defined term where the relevant Constitution does not include a defined term for 'Net Asset Value of the Class'.*

*The supplemental deed in respect of each Wholesale Fund can be accessed at the relevant link as set out in the below table.*

#### **13A.4 Responsible Entity's limitation of liability**

Without limiting clause 19, and subject to the Corporations Act, in addition to all other rights of the Responsible Entity under this Deed and at law the Responsible Entity agrees that any claim, demand, cost, expense, damage, loss and liability that may be suffered or incurred by it in relation to or arising out of the Proposal including implementing or giving

effect to the Proposal and the transactions contemplated by it (including, without limitation, in circumstances where the Proposal does not proceed and is not completed) (**Proposal Liability**) that are capable of, and which the Responsible Entity seeks to be indemnified out of the Assets of the Fund are limited to an amount equal to the Net Asset Value of the Class for the Ordinary Class and will be treated as a Class Liability of the Ordinary Class so that they are attributable to the Ordinary Class only (but are not attributable to the ETF Class). For the avoidance of doubt the Responsible Entity will not, under clause 19 or this clause 13A.4, be indemnified from the Assets of the Fund for any Proposal Liability in excess of the Net Asset Value of the Class for the Ordinary Class.

**Note:** *In respect of Wholesale Funds with Non-Affected Members, the reference to 'ETF Class' in this clause 13A.4 will be amended to refer to each class of the Non-Affected Units.*

**Note:** *In respect of Wholesale Funds without Non-Affected Members, and the Vanguard Global Infrastructure Index Fund and the Vanguard International Small Companies Index Fund, this clause 13A.4 will be replaced as follows:*

*6Without limiting clause 19, and subject to the Corporations Act, in addition to all other rights of the Responsible Entity under this Deed and at law the Responsible Entity will be indemnified out of the Assets of the Trust from and against any claim, demand, cost, expense, damage, loss and liability that may be suffered or incurred by it in relation to or arising out of the Proposal and the transactions contemplated by it (including, without limitation, in circumstances where the Proposal does not proceed and is not completed), provided that the Responsible Entity acts without negligence, fraud or breach of trust.*

**Note:** *The references to clause 19 in this clause 13A.4 (which refer to the limitation of liability and indemnity in favour of the Responsible Entity) will be amended in respect of each Wholesale Fund to refer to the equivalent provisions of the relevant Constitution.*

**Note:** *The reference to 'Net Asset Value of the Class' will be replaced with 'Net Class Value' or the equivalent defined term where the relevant Constitution does not include a defined term for 'Net Asset Value of the Class'.*

*The supplemental deed in respect of each Wholesale Fund can be accessed at the relevant link as set out in the below table.*

### **13A.5 Responsible Entity not liable**

Without limiting clause 19, and subject to the Corporations Act, the Responsible Entity will not be liable to any Ordinary Unit Holder in any way, arising, directly or indirectly, as a result of the Responsible Entity doing or refraining from doing any act (including the execution of documents) pursuant to or in connection with the Proposal or the transactions contemplated by it or their implementation (including, without limitation, in circumstances where the Proposal does not proceed and is not completed), provided that the Responsible Entity acts without negligence, fraud or breach of trust.

**Note:** *In respect of Wholesale Funds without Non-Affected Members, and the Vanguard Global Infrastructure Index Fund and the Vanguard International Small Companies Index Fund, this clause 13A.5 will be replaced as follows:*

*Without limiting clause 19, and subject to the Corporations Act, the Responsible Entity will not be liable to any Unit Holder in any way, arising, directly or indirectly, as a result of the Responsible Entity doing or refraining from doing any act (including the execution of documents) pursuant to or in connection with the Proposal or the transactions contemplated by it or their implementation (including, without limitation, in circumstances where the Proposal does not proceed and is not completed), provided that the Responsible Entity acts without negligence, fraud or breach of trust.*

**Note:** *The references to clause 19 in this this clause 13A.5 (which refer to the limitation of liability and indemnity in favour of the Responsible Entity) will be amended in respect of each Wholesale Fund to refer to the equivalent provisions of the relevant Constitution.*

*The supplemental deed in respect of each Wholesale Fund can be accessed at the relevant link as set out in the below table.*

### **13A.6 Invalidity, ineffectiveness or unenforceability**

Clauses 13A.4 and 13A.5 extend to all claims, demands, costs, expenses, damages, losses and liabilities arising in connection with any invalidity, ineffectiveness or unenforceability of any aspect of the Proposal or its implementation (including, without limitation, in circumstances where the Proposal does not proceed and is not completed) except to the extent that such loss is attributable to the Responsible Entity's negligence, fraud, or breach of trust.

### **13A.7 Appointment of Responsible Entity as attorney and agent to effect the implementation of the Proposal**

- (a) The Responsible Entity is irrevocably appointed as the agent and attorney of all Participating Ordinary Unit Holders to complete and execute all deeds, applications, forms and other documents, and to do all things, which it considers necessary, desirable or incidental to be completed, executed or done on behalf of such Participating Ordinary Unit Holders to implement or give effect to the Proposal and the transactions contemplated by it (including, without limitation, in circumstances where the Proposal does not proceed and is not completed) and the Responsible Entity is authorised to complete and execute these deeds, applications, forms and other documents and do these things without needing further authority or approval from any Participating Ordinary Unit Holder and the Responsible Entity accepts such appointment.
- (b) The Responsible Entity as agent and attorney of each Participating Ordinary Unit Holder may sub-delegate its functions, authorities or powers under this clause 13A.7 to all or any of its directors and officers (jointly, severally, or jointly and severally).
- (c) Without limiting clause 13A.7(a), the Responsible Entity is irrevocably appointed as the agent and attorney of each Participating Ordinary Unit Holder to on behalf of the Participating Ordinary Unit Holder:
  - (i) if the Participating Ordinary Unit Holder does not, as at the Implementation Record time, hold a Vanguard Personal Investor Account or holds a Vanguard Personal Investor Account that is not a Relevant Vanguard Personal Investor Account or is a Non-Consenting Account Unit Holder, apply to the Vanguard Personal Investor Operator to open a Vanguard Personal Investor Account in the name of the Participating Ordinary Unit Holder to be used for the purpose of implementation of the Proposal, and if the Participating Ordinary Unit Holder does, as at the Implementation Date, hold a Vanguard Personal Investor Account that is a Relevant Vanguard Personal Investor Account, use the Participating Ordinary Unit Holder's Vanguard Personal Investor Account for the purpose of implementation of the Proposal (unless the Participating Ordinary Unit Holder has notified the Responsible Entity that it is a Non-Consenting Account Unit Holder in accordance with clause 13A.3(g);
  - (ii) transfer the Participating Ordinary Unit Holder's Ordinary Units to the Vanguard Personal Investor Operator for the Vanguard Personal Investor Operator to hold as bare trustee and agent for the Participating Ordinary Unit Holder in their Vanguard Personal Investor Account as provided for by clause 13A.2(b)(ii)(B).

### **13A.8 Provision of information**

Subject to clause 13A.10, each Participating Ordinary Unit Holder is required to provide the Responsible Entity, if the Responsible Entity requests, such information as the Responsible Entity or the Vanguard Personal Investor Operator may reasonably require in order to comply with any law in respect of the Proposal, the transactions contemplated by it or their implementation or the administration of the Participating Ordinary Unit Holder's investment in the Ordinary Units which will be held in the Participating Ordinary Unit Holder's Vanguard Personal Investor Account, including without limitation information in relation to any anti-money laundering, FATCA and CRS requirements but excluding TFN Information. Information required to be provided to the Responsible Entity for anti-money laundering requirements may also extend to information the Responsible Entity or the Vanguard Personal Investor Operator is required to collect and verify in relation to legal personal representatives or anyone acting on behalf of a Participating Ordinary Unit Holder, or any beneficial owner(s) of the Participating Ordinary Unit Holder.

### **13A.9 Consent to use of information other than TFN Information**

Subject to clause 13A.10, each Participating Ordinary Unit Holder consents to:

(i) the Responsible Entity disclosing to, and providing to, the Vanguard Personal Investor Operator; and

(ii) the Vanguard Personal Investor Operator receiving, using, and holding,

any information which the Participating Ordinary Unit Holder has provided to the Responsible Entity, or which the Responsible Entity holds, in relation to the Participating Ordinary Unit Holder and their Ordinary Units, including without limitation any information in relation to any anti-money laundering requirements and any information provided under clause 13A.8, and which the Responsible Entity considers is necessary, desirable or incidental to the Proposal, the transactions contemplated by it, their implementation or the administration of the Participating Ordinary Unit Holder's investment in the Ordinary Units which will be held in the Participating Ordinary Unit Holder's Vanguard Personal Investor Account, other than the TFN Information.

### **13A.10 Consent to use of TFN Information**

(a) If the Proposal proceeds, then unless the Participating Ordinary Unit Holder has notified the Responsible Entity that it is a Non-Consenting TFN Unit Holder in accordance with clause 13A.10(c), each Participating Ordinary Unit Holder consents to the Vanguard Personal Investor Operator recording, using and disclosing to a third party, the Participating Ordinary Unit Holder's TFN Information:

(i) to the extent required, permitted by, or reasonably necessary in order to comply with, an obligation imposed by a taxation law;

(ii) in connection with the Vanguard Personal Investor Operator exercising powers or performing functions under, or in relation to, a taxation law; or

(iii) in connection with the Vanguard Personal Investor Operator acting on an Participating Ordinary Unit Holder's behalf in the conduct of an Ordinary Unit Holder's affairs;

in relation to any assets held by the Vanguard Personal Investor Operator in the Participating Ordinary Unit Holder's Vanguard Personal Investor Account, including the Ordinary Units which the Responsible Entity directs, on behalf of the Participating Ordinary Unit Holder as their agent and attorney pursuant to clause 13A.7, are transferred to the Participating Ordinary Unit Holder's Vanguard Personal Investor Account under the Proposal.

(b) In providing the consent at clause 13A.10(a), each Participating Ordinary Unit Holder acknowledges that:



- (i) the Vanguard Personal Investor Operator is authorised under the Tax Act to collect, keep and use the Participating Ordinary Unit Holder's TFN Information, but that the Vanguard Personal Investor will only use or disclose that TFN Information for lawful purposes;
  - (ii) the Vanguard Personal Investor Operator will only collect, use and disclose the Participating Ordinary Unit Holder's TFN Information for the purposes described at clause 13A.10(a);
  - (iii) it is not an offence for the Responsible Entity to provide this consent on behalf of the Participating Ordinary Unit Holder in accordance with clause 13A.10(a); and
  - (iv) the Participating Ordinary Unit Holder was provided with adequate opportunity to request that the consent not be provided.
- (c) If a Participating Ordinary Unit Holder does not consent to the use by the Vanguard Personal Investor Operator of their TFN Information in accordance with clause 13A.10(a), the Participating Ordinary Unit Holder may notify the Responsible Entity of this prior to the Implementation Date in accordance with the procedures notified by the Responsible Entity to the Participating Ordinary Unit Holder in the Meeting Documents. Any Participating Ordinary Unit Holder who so notifies the Responsible Entity will become a Non-Consenting TFN Unit Holder from that time.

### **13A.11 Transfer of FATCA/CRS Self-Certifications**

- (a) Subject to clause 13A.11(b), if the Proposal proceeds, any Participating Ordinary Unit Holder that has previously provided (or is taken to have provided) a Self-Certification that applies in relation to their investment in the Fund:
- (i) consents to the Vanguard Personal Investor Operator using the Self-Certification as a Self-Certification in relation to the Vanguard Personal Investor Account of the Participating Ordinary Unit Holder;
  - (ii) declares that the Self-Certification is and remains correct at the time the Proposal is implemented;
  - (iii) agrees that any representation, warranty or undertaking provided by the Participating Ordinary Unit Holder in, or in connection with the Self-Certification is also made to the Vanguard Personal Investor Operator, with any consequential changes to reflect that the representation, warranty or undertaking is now also made to the Vanguard Personal Investor Operator in relation to the Vanguard Personal Investor Account of the Participating Ordinary Unit Holder; and
- (b) undertakes to provide the Vanguard Personal Investor Operator or its nominee any information that the Vanguard Personal Investor Operator reasonably requires in order to enable the Vanguard Personal Investor Operator to meet all of its compliance, reporting and other obligations under FATCA and CRS. Clause 13A.11(a) does not, or ceases to (as applicable), apply in relation to an Participating Ordinary Unit Holder if:
- (i) the Participating Ordinary Unit Holder has not (and is not taken to have) provided a Self-Certification that applies in relation to their investment in the Fund; or
  - (ii) the Participating Ordinary Unit Holder separately provides a Self-Certification for use by the Vanguard Personal Investor Operator in relation to the Vanguard Personal Investor Account of the Participating Ordinary Unit Holder; or
  - (iii) the Participating Ordinary Unit Holder notifies the Responsible Entity or the Vanguard Personal Investor Operator that the previous Self-Certification of the Participating Ordinary Unit Holder that applies in relation to their investment in the Fund is no longer correct or complete.



### 13A.12 Migration of Member Elections

If the Proposal proceeds, each Participating Ordinary Unit Holder consents to:

- (i) the Responsible Entity disclosing to, and providing to, the Vanguard Personal Investor Operator their Member Elections; and
- (ii) the Vanguard Personal Investor Operator receiving their Member Elections, and to the extent such Member Elections are compatible with Vanguard Personal Investor using, and applying their Member Elections to the Ordinary Unit Holder's holding of Ordinary Units through their Vanguard Personal Investor Account.

### 13A.13 Migration of Designated Signatory or Representative Appointments

- (a) If the Proposal proceeds, and a Participating Ordinary Unit Holder has provided a Designated Signatory or Representative Appointment to Vanguard Investments Australia Limited, in connection with their Ordinary Unit's and the Fund, then unless the Participating Ordinary Unit Holder has notified the Responsible Entity that it is a Non-Consenting Signatory/Representative Unit Holder in accordance with clause 13A.13(b), the Participating Ordinary Unit Holder consents to:
  - (i) the Responsible Entity disclosing to, and providing to, the Vanguard Personal Investor Operator the Designated Signatory or Representative Appointment; and
  - (ii) the Vanguard Personal Investor Operator receiving, and to the extent such Designated Signatory or Representative Appointment is compatible with Vanguard Personal Investor, using and relying on the Designated Signatory or Representative Appointment in relation to, and for the purposes of, the administration of the Participating Ordinary Unit Holder's investment in the Vanguard Personal Investor.
- (b) If a Participating Ordinary Unit Holder does not consent to the receipt, use and reliance by the Vanguard Personal Investor Operator of their Designated Signatory or Representative Appointment in accordance with clause 13A.13(a), the Participating Ordinary Unit Holder may notify the Responsible Entity of this at least 7 Business Days prior to the Implementation Record Time in accordance with the procedures notified by the Responsible Entity to the Participating Ordinary Unit Holder in the Meeting Documents. Any Participating Ordinary Unit Holder who so notifies the Responsible Entity will become a Non-Consenting Signatory/Representative Unit Holder from that time.

### 13A.14 Other Classes

For the avoidance of doubt, this clause 13A does not apply to ETF Units in an ETF Class.

**Note:** *In respect of Wholesale Funds with Non-Affected Members, the reference to 'ETF Units in an ETF Class' in this clause 13A.14 will be amended to refer to each class of the Non-Affected Units. Where a relevant Constitution does not include a defined term for 'ETF Units', this reference will be replaced with 'Units in an ETF Class'.*

**Note:** *In respect of Wholesale Funds without Non-Affected Members, this clause 13A.14 will be deleted.*

*The supplemental deed in respect of each Wholesale Fund can be accessed at the relevant link as set out in the below table.*

### 13A.15 Paramountcy

This clause 13A has effect irrespective of any other provision of this Deed and subject to the Corporations Act, any provision of this Deed which is inconsistent with this clause 13A does not operate to the extent of the inconsistency.

### 13A.16 Amendments to this Deed

The amendments to this Deed set out in this clause 13A to give effect to the Proposal are binding on all Ordinary Unit Holders including those Ordinary Unit Holders who:

- (a) did not attend the Meeting to consider the Proposal;
- (b) attended the Meeting, or whose proxy attended the Meeting, to consider the Proposal but did not vote on the Resolutions in relation to the Proposal;
- (c) attended the Meeting, or whose proxy attended the Meetings, to consider the Proposal and who voted on the Resolutions in relation to the Proposal but voted against the Proposal; and
- (d) were not Ordinary Unit Holders at the time of the Meeting.'

**Note:** *In respect of Wholesale Funds without Non-Affected Members, the references to 'Ordinary Unit Holders' in this clause 13A.16 will be replaced by references to 'Unit Holders' or, if this term is not defined in the Constitution of the relevant Wholesale Fund, 'Members'.*

*The supplemental deed in respect of each Wholesale Fund can be accessed at the relevant link as set out in the below table.*

In addition to the Constitution amendments described above, the Constitutions of the following Wholesale Funds will be further amended as follows:

- in respect of Vanguard Diversified Bond Index Fund deleting the definition of 'Trust' in clause 1.1 and replacing it as follows:  
**'Trust** means the trust which is the subject of this constitution.'
- in respect of Vanguard Diversified Bond Index Fund inserting after the definition of Trust in clause 1.1 the following new definition of Trading Day as follows:  
**'Trading Day** has the same meaning as in the ASX Operating Rules.'
- in respect of Vanguard Diversified Bond Index Fund inserting after the definition of Trading Day in clause 1.1 the following new definition of Unit as follows:  
**'Unit** means a unit in the Trust.'
- in respect of Vanguard Australian Corporate Fixed Interest Index Fund deleting the definition of 'Redemption Amount' in clause 1.1 and replacing it as follows:  
**'Redemption Amount** means, for a Unit, the amount calculated in accordance with clause 8.1(c).'
- in respect of Vanguard International Shares Index Fund deleting the reference to 'has more than on' in clause 14.9(2) and replacing it as follows:  
'has more than one'

The supplemental deed for each Wholesale Fund set out in the table below can be accessed at [www.vanguard.com.au/personal/support/proposal](http://www.vanguard.com.au/personal/support/proposal):

WHOLESALE FUND NAME (Alphabetical order)	ARSN
Vanguard Active Global Growth Fund	632 655 577
Vanguard Australian Corporate Fixed Interest Index Fund	147 938 001
Vanguard Australian Fixed Interest Index Fund	090 939 941
Vanguard Australian Government Bond Index Fund	134 177 807
Vanguard Australian Inflation Linked Bond Index Fund	147 936 249
Vanguard Australian Property Securities Index Fund	090 939 549
Vanguard Australian Shares High Yield Fund	091 751 807
Vanguard Australian Shares Index Fund	090 939 718
Vanguard Balanced Index Fund	101 565 431
Vanguard Cash Reserve Fund	127 015 301
Vanguard Conservative Index Fund	101 565 351
Vanguard Diversified Bond Index Fund	147 937 728
Vanguard Emerging Markets Shares Index Fund	090 939 450
Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged)	618 349 090
Vanguard Ethically Conscious International Shares Index Fund	626 133 275
Vanguard Global Aggregate Bond Index Fund (Hedged)	618 350 539
Vanguard Global Infrastructure Index Fund	128 385 277
Vanguard Global Infrastructure Index Fund (Hedged)	128 385 197
Vanguard Global Minimum Volatility Fund	165 787 708
Vanguard Global Value Equity Fund	613 053 062
Vanguard Growth Index Fund	101 565 520
Vanguard High Growth Index Fund	101 565 637
Vanguard International Credit Securities Index Fund (Hedged)	095 366 055
Vanguard International Fixed Interest Index Fund (Hedged)	090 940 337
Vanguard International Property Securities Index Fund	115 001 002
Vanguard International Property Securities Index Fund (Hedged)	115 001 360
Vanguard International Shares Index Fund	090 939 610
Vanguard International Shares Index Fund (Hedged)	093 254 909
Vanguard International Shares Select Exclusions Index Fund – Unhedged and Hedged	613 045 739
Vanguard International Small Companies Index Fund	127 015 472
Vanguard International Small Companies Index Fund (Hedged)	127 015 436
Vanguard Short Term Fixed Interest Fund	090 940 060

# Annexure C – Summary of ASIC Reliefs

ASIC has granted the following modifications and exemptions in relation to the operation of the Corporations Act to facilitate the Proposal:

- (a) an exemption for each Wholesale Fund from the requirement to treat all members in the same class equally under section 601FC(1)(d) of the Corporations Act where Foreign Resident Members will not participate in the Proposal and will remain invested directly in the Wholesale Funds;
- (b) a declaration for each of the following Wholesale Funds in relation to section 601GC(1)(d) of the Corporations Act (as notionally inserted by the relief instrument) to permit the constitution to be modified by a special resolution of the members of the Ordinary Class, where Vanguard reasonably considers the change will not adversely affect members' rights of those members in any other class(es) of the Wholesale Funds and is not contrary to the best interests of all members of the Wholesale Funds. This declaration was granted in relation to the following Wholesale Funds:

## WHOLESALE FUNDS

1. Vanguard Australian Shares Index Fund ARSN 090 939 718
2. Vanguard Australian Corporate Fixed Interest Index Fund ARSN 147 938 001
3. Vanguard Australian Fixed Interest Index Fund ARSN 090 939 941
4. Vanguard Australian Government Bond Index Fund ARSN 134 177 807
5. Vanguard Australian Property Securities Index Fund ARSN 090 939 549
6. Vanguard Australian Shares High Yield Fund ARSN 091 751 807
7. Vanguard Balanced Index Fund ARSN 101 565 431
8. Vanguard Conservative Index Fund ARSN 101 565 351
9. Vanguard Ethically Conscious Global Aggregate Bond Index Fund (Hedged) ARSN 618 349 090
10. Vanguard Ethically Conscious International Shares Index Fund ARSN 626 133 275
11. Vanguard Global Aggregate Bond Index Fund ARSN 618 350 539
12. Vanguard Global Minimum Volatility Fund ARSN 165 787 708
13. Vanguard Global Value Equity Fund ARSN 613 053 062
14. Vanguard Growth Index Fund ARSN 101 565 520
15. Vanguard High Growth Index Fund ARSN 101 565 637
16. Vanguard International Credit Securities Index Fund (Hedged) ARSN 095 366 055
17. Vanguard International Fixed Interest Index Fund (Hedged) ARSN 090 940 337
18. Vanguard International Shares Index Fund ARSN 090 939 610
19. Vanguard International Shares Select Exclusions Index Fund ARSN 613 045 739

# **Annexure D – Vanguard Personal Investor Guide and Voting Policy**

# Vanguard Personal Investor

Investor Guide including Terms and Conditions

Dated 30 May 2023



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# About this Guide

This Guide dated 30 May 2023 is an Investor Directed Portfolio Service (**IDPS**) Guide for Vanguard Personal Investor, issued by Vanguard Investments Australia Ltd (**Vanguard**), ABN 72 072 881 086, AFS Licence 227263 as operator of Vanguard Personal Investor (**Operator**). Vanguard Personal Investor is an Investor Directed Portfolio Service.

## What is this Guide for?

This Guide (**Guide**) provides you with important information which you should know before investing with Vanguard Personal Investor. It sets out the key features and benefits of investing through Vanguard Personal Investor, the risks involved, the associated costs, the tax implications and the Terms and Conditions of becoming an investor.

The Guide is made up of the following documents which should be read together:

- *Vanguard Personal Investor – Investor Guide including Terms and Conditions* (this document).
- *Vanguard Personal Investor Guide Part B – Investor Guide for Vanguard Personal Investor Kids Accounts* (if relevant for you).

## Other important documents

There are additional documents you should read to help you make an informed investment decision regarding Vanguard Personal Investor. These documents are available free of charge on our website at [vanguard.com.au/personal](https://vanguard.com.au/personal), including:

- Vanguard Personal Investor – Investment Menu which list out the investment options available through Vanguard Personal Investor.
- Disclosure documents (Product Disclosure Statement (**PDS**), Target Market Determination (**TMD**) or other disclosure documents) for each managed fund or exchange traded fund (**ETF**) investment option.
- Vanguard's Financial Services Guide (**FSG**), which contains important information regarding who we are, how we operate, which

financial products and services we offer to investors and our internal and external dispute resolution process.

- The **TMD** for Vanguard Personal Investor, which includes a description of the class of investors for whom Vanguard Personal Investor may be suitable.

## Changes to information in this Guide

Information in this Guide is current as of the issue date and may change from time to time. Where the changes are not materially adverse to investors, the information may be updated on our website at [vanguard.com.au/personal](https://vanguard.com.au/personal). A copy of any updated information is available for investors free of charge upon request by contacting us on 1300 655 101 or through secure message via Vanguard Online.

All dollar amounts are in Australian dollars unless otherwise indicated. This Guide does not constitute an offer or invitation in any jurisdiction other than Australia or to anyone to whom it would not be lawful to make such an offer.

None of The Vanguard Group, Inc. or any of their related entities (including Vanguard Investments Australia Ltd), directors or officers guarantee the repayment of capital or the performance of your investments.

## General advice warning

Information contained in this guide is general information only and does not take into consideration your personal objectives, financial situation or needs. You should read the relevant Product Disclosure Statements for each investment option (where applicable) and consider seeking advice from a licensed financial adviser before making an investment decision. A copy of the Target Market Determinations (or "TMD") for Vanguard's financial products can be obtained at [vanguard.com.au/personal](https://vanguard.com.au/personal) free of charge, which includes a description of who the financial product is appropriate for. You should refer to the TMD of the product before making any investment decisions.

## Contact us

### Registered office

Level 13  
130 Lonsdale Street  
Melbourne VIC 3000

### Postal address

Vanguard Personal Investor  
GPO Box 1837  
Melbourne VIC 3001

### Other

Online: Vanguard Online secure message  
Phone: 1300 655 101  
Website: [vanguard.com.au/personal](https://vanguard.com.au/personal)

## AFS Licence details

Vanguard holds an Australian financial services licence (AFS Licence 227263), which authorises us to act as the operator of Vanguard Personal Investor.

## Your contract with us

By opening a Vanguard Personal Investor Account and accepting the Terms and Conditions, you offer to enter into a contract with Vanguard. A contract is formed when we accept your application.

Your rights and obligations as a client of Vanguard Personal Investor and our rights and obligations as operator of Vanguard Personal Investor are governed by:

- the Deed Poll for Vanguard Personal Investor, which is the document signed by Vanguard to establish and set out the rules of Vanguard Personal Investor; and
- the terms of the contract between you and Vanguard (the IDPS Contract), which are set out in:
  - the online account application form; and
  - the Terms and Conditions set out in this Guide.

You are bound by the terms of the Deed Poll and the IDPS Contract when we accept your application. A copy of the Deed Poll is available from us free of charge on request.

## Defined terms

A number of terms used in this Guide are defined in the glossary at the end of this document.

# Overview

## What is Vanguard Personal Investor?

Vanguard Personal Investor is an online investment platform that provides easy low-cost access to Vanguard managed funds, Vanguard exchange traded funds (**ETFs**) and selected Australian Securities Exchange (**ASX**) listed direct shares.

You can select a combination of available investments to build a diversified portfolio tailored to your specific investment needs to help you achieve your financial goals. A key benefit of investing through Vanguard Personal Investor is access to wholesale managed fund investments that you may not otherwise have access to. These can be combined with investments in ETFs and direct shares, all in the one place.

## Who operates Vanguard Personal Investor?

Vanguard Investments Australia Ltd ("Vanguard", "we", "us", or "our") is the operator of Vanguard Personal Investor. As the operator, Vanguard is solely responsible for the management and operations of Vanguard Personal Investor. Vanguard is also the custodian of Vanguard Personal Investor and holds the interests in assets in your account on trust for you. We may appoint third parties in relation to the provision of services to you, including to delegate our custody role to other custodians (referred to as a 'sub-custodian').

As at the date of this Guide, we have appointed the following key third party service providers:

JP Morgan Chase, N.A. (Sydney Branch) ABN 43 074 112 011, AFS Licence 238367	Appointed as sub-custodian to provide custody services to us in relation to direct shares and ETFs. They will hold those assets on trust for us and we will in turn hold the interest in those assets for you. The role of the sub-custodian is to hold, maintain and deal with assets in accordance with directions received from us. The directions we give the sub-custodian will be based on instructions that we receive from you.
FNZ Australia Pty Ltd (ABN 67 138 819 119)	Administrator of Vanguard Personal Investor.
UBS Securities Australia Ltd (ABN 62 008 586 481, AFS Licence 231098)	Provides brokerage services for the placement and settlement of any direct shares and ETFs.
Australia and New Zealand Banking Group Limited ABN 11 005 357 522 (ANZ)	Banking deposit provider for all payment services associated with depositing and withdrawing money in and out of your Vanguard Cash Account.

ANZ has consented to being named in this Guide in the form and context in which their name is included and have not withdrawn their consent.

# Key features and benefits at a glance

Vanguard Personal Investor is an online investment platform, providing investors with a range of low-cost investment options, all in the one place.



## **Comprehensive range of investment options**

- Access to Vanguard's low-cost managed funds and Vanguard exchange traded funds (ETFs), as well as selected ASX listed direct shares.



## **Manage your investments anytime, anywhere with easy and convenient online access**

- Buy and sell investments online through Vanguard Online or the Vanguard Australia mobile app.
- Access your transaction information, portfolio holdings and valuations at any time.
- View and download reports and statements, including annual tax statements.



## **An easy way to build your portfolio with Auto Invest**

- Make regular automated investment contributions into our wide range of managed funds and ETFs, from \$200.



## Low and competitive platform fees

INVESTMENT OPTION	BROKERAGE FEES		ACCOUNT FEE
	BUY	SELL	
Vanguard managed funds	N/A	N/A	N/A
Vanguard ETFs	\$0	\$9.00 flat rate per trade	N/A
ASX listed direct shares	\$9.00 flat rate per trade	\$9.00 flat rate per trade	0.10% p.a. Account Fee on ASX listed direct shares.

Please refer to the 'Fees and other costs' section in this Guide for further information.



## Low investment minimums

INVESTMENT OPTION	MINIMUM INITIAL INVESTMENT	MINIMUM ADDITIONAL INVESTING	AUTO INVEST
Vanguard managed funds	\$500	No minimums	\$200 per cycle
Vanguard ETFs	\$500	\$500	
ASX listed direct shares	\$500	\$500	N/A



## Cash management made easier

- Your Vanguard Personal Investor Account comes with an integrated Vanguard Cash Account, a centralised cash hub for investing, settling your transactions, receiving investment income and paying withdrawals.



## Consolidated reporting

- Access to comprehensive consolidated investment and tax reporting.

# Opening a Vanguard Personal Investor Account

## Account types available on Vanguard Personal Investor

Vanguard Personal Investor is currently available for

- Individual investors over 18 years old,
- Joint investors,
- Trustees of self-managed super funds (SMSFs),
- Australian registered proprietary companies,
- Trustees of the following trust types – Discretionary, Family, Testamentary, Foundation, Registered Charities, certain Special Disability Trusts and Unit Trusts, and
- Adult investors who would like to set up an account for the benefit of a minor under the age of 18 years (please refer to the *Vanguard Personal Investor Guide Part B – Investor Guide for Vanguard Personal Investor Kids Accounts* for more information).

The above is subject to certain eligibility requirements set out on our website at [vanguard.com.au/personal/invest-with-us/account-types/individual](https://vanguard.com.au/personal/invest-with-us/account-types/individual). At our discretion, we may waive the eligibility requirements and accept account types other than those listed above.

You do not need to have a financial adviser to open a Vanguard Personal Investor Account.

If you are a Power of Attorney (POA) and want to open an individual account and operate the account on behalf of an investor, please contact us.

## How to apply for a Vanguard Personal Investor Account

To apply for a Vanguard Personal Investor Account, please visit our website at [vanguard.com.au/personal](https://vanguard.com.au/personal).

# How a Vanguard Personal Investor Account works

## Vanguard Online

Vanguard Personal Investor is an online investment platform, where you can buy and sell investments, view your account valuation, transaction history and investment holdings. You can log in to Vanguard Online at [vanguard.com.au/personal](https://vanguard.com.au/personal).

## Vanguard Australia mobile app

The Vanguard Australia mobile app (mobile app) can be used for most transactions, viewing a snapshot of your account valuation, investment holdings and accessing statements.

## Vanguard Cash Account

When you open a Vanguard Personal Investor Account, a Vanguard Cash Account is automatically created for you. The Vanguard Cash Account is a centralised cash hub that holds your cash balance and is used to settle your investment transactions. These transactions include the funding of investment purchases, proceeds of investment sales, dividends and distributions received from your investments as well as money deposited or withdrawn by you.

## About your Vanguard Cash Account

- All money received in relation to transactions on your investments will be paid into or out of your Vanguard Cash Account.
- There is no minimum balance required for your Vanguard Cash Account. However, it is important that you retain sufficient balance in your Vanguard Cash Account to cover fees and other costs applicable to your account. Please refer to the 'Fees and other costs' section for additional information.
- The money in your Vanguard Cash Account is held on deposit with Australia and New Zealand Banking Group Limited ABN 11 005 357 522 (**ANZ**), an authorised deposit-taking institution. However, on expiry of our agreement with ANZ, we may at our discretion invest the funds in your cash account with another authorised deposit-taking Institution.
- All transfers of money into and out of your Vanguard Cash Account are made at your direction, subject to the Terms and Conditions outlined in this Guide.

## Depositing money into to your Vanguard Cash Account

- Payments you make into your Vanguard Personal Investor Account will be deposited into your Vanguard Cash Account. Once money has cleared in your Vanguard Cash Account, you can invest in managed funds, ETFs or direct shares listed on the Investment Menu.



## Ways to deposit money into your Vanguard Cash Account:

HOW TO DEPOSIT	MINIMUM DEPOSIT AMOUNT	SETTLEMENT TIMEFRAMES
<p><b>Electronic Funds Transfer (direct credit)</b></p> <p>Electronic funds transfer transactions can be made from your external bank account using your Vanguard Cash Account's BSB and Account Number. These are initiated at your bank.</p>	No minimum	Generally, within same day and up to 2 business days, subject to the processing times of your financial institution.
<p><b>BPAY®</b></p> <p>BPAY transfers can be made from your external banking account using a BPAY Biller Code and your Customer Reference Number (CRN) for your Vanguard Cash Account.</p>	A minimum transaction amount of \$10 applies to all BPAY transactions.	Generally, within same day and up to 2 business days, subject to the processing times of your financial institution.
<p><b>Direct debit</b></p> <p>Initiated from Vanguard Online, you can authorise us to direct debit from your linked Australian bank account.</p> <p>Debiting from an account not in your name and without sufficient authority is strictly prohibited.</p>	No minimum	Money transferred via direct debit can take up to 5 business days to settle.

### Withdrawing money from your Vanguard Cash Account

- There is no minimum withdrawal amount. Any balance showing as 'available cash' in your Vanguard Cash Account can be withdrawn and transferred to your linked Australian bank account.
- All cash withdrawals made before 4:00pm (AET) on a business day will be processed that day. Withdrawals made after this time will be processed the next business day. Withdrawals can generally take up to 3 business days from the date they are processed to clear. These processing times are subject to your banking institution.
- Unless required by law we do not allow payments to bank accounts other than to your linked Australian bank accounts. Generally, we will not process payments to third-party bank accounts or international bank accounts. We may make payments through other forms at our discretion.
- We will not withdraw any part of your money in your Vanguard Cash Account except at your direction (other than to deduct fees and charges). By opening a Vanguard Personal Investor Account and accepting our Terms

and Conditions, you direct us to facilitate the payment of fees and costs from your Vanguard Cash Account in accordance with this Guide and the Terms and Conditions. Please see the 'Fees and other costs' section for further details.

### Conditions/limitations on your Vanguard Cash Account

- Deposits into the Vanguard Cash Account will only be accepted in Australian dollars (AUD) from an Australian bank account. Vanguard may, at its discretion accept other forms of payment which may be subject to different payment minimums.
- Your Vanguard Cash Account cannot be used to make BPAY payments or direct credit payments to other institutions or retailers.
- As at the date of this Guide, New Payments Platform (NPP) payments cannot be facilitated for deposits into your Vanguard Cash Account and attempts to transfer money via NPP will be rejected. We intend to enable NPP deposit payments into your Vanguard Cash Account in late 2023 and will notify you online when it is available.

- In general, we do not allow your Vanguard Cash Account balance to fall below zero. However, if this occurs and your balance remains below zero we may sell investments from your portfolio to cover any outstanding liabilities. We will ask you to deposit money into your Vanguard Cash Account or sell investments of your choosing to cover the outstanding liabilities before we sell any investments on your behalf.
- If you do not deposit money into your Vanguard Cash Account to cover your outstanding liabilities in the time specified, we will sell units from your largest managed fund holding first. If you do not hold any managed funds, we will sell from your largest listed security holding (ETFs or direct shares).
- In limited circumstances we may be required to pay the amounts to an account other than your Vanguard Cash Account for example as directed by a court order, regulatory body or authority, liquidator, or administrator.

## Auto Invest

Auto Invest allows you to make regular automated investment contributions via direct debit from your linked Australian bank account into one or more managed fund and ETF investment options.

### Setting up an Auto Invest plan

You can set-up an Auto Invest plan through Vanguard Online or the mobile app, by:

- Selecting the amount you want to invest (minimum \$200 per cycle)
- Select the cycle frequency of either fortnightly, monthly, or quarterly
- Choose the start date of your direct debit. You can set-up Auto Invest for a specific period or until cancelled by you
- Choose the investment option(s) you wish to automatically invest in and the amount you want to allocate to each investment.

### Additional information on Auto Invest

- There is no minimum investment amount into each investment option with Auto Invest, as long as the total amount is \$200 per cycle. However, as ETFs can only be

bought in whole units, to invest you must have allocated sufficient cash to buy at least 1 whole unit. Any residual cash after your Auto Invest ETF buy transaction will remain in your Vanguard Cash Account and will automatically be invested in the next Auto Invest cycle based on the ETF investment allocation that you have made.

- Our third-party brokerage service provider will generally seek to execute all Auto Invest ETF transactions at a time-weighted average price on the relevant day or other appropriate pricing approach as agreed between Vanguard and the broker from time to time. All Auto Invest ETF transactions for the same ETF on the same day will receive the same buy price.
- Auto Invest transactions will typically be executed 4 business days after your scheduled regular deposit date (this is the time it takes for direct debit funds to be cleared by your bank).
- The Product Disclosure Statement for each investment option is available to you when you set-up Auto Invest. Please take time to review and understand the investment option(s) you select. You should also regularly check our website for any updates and for the latest information on the investment option(s) you have selected.
- You can update, pause or cancel your Auto Invest plan at any time. If you update, pause or cancel your Auto Invest plan on the date of your next direct debit, the direct debit will typically still proceed and then your plan will be updated thereafter.
- If you have Auto Invest set-up for an investment option that is subsequently removed from the Investment Menu, we will contact you to let you know of your options. If you don't take any action, we may deposit your allocated contribution to that investment into your Vanguard Cash Account.
- Auto Invest is currently not available for ASX listed direct shares.
- Please refer to the Terms and Conditions section in this Guide for more information on Auto Invest.

# Investment options

Vanguard Personal Investor offers access to Vanguard managed funds, Vanguard ETFs and selected ASX listed direct shares. The range of available investments will vary from time to time. Please refer to the Investment Menu on our website at [vanguard.com.au/personal](https://vanguard.com.au/personal). You should consult the relevant PDS, TMD or disclosure document of each investment option (where applicable) before making an investment decision.

## Investment Selection Policy

The investments available through Vanguard Personal Investor are selected in accordance with our Investment Selection Policy. Investment options are periodically assessed by Vanguard's Product Governance Committee to ensure all investment options meet the requirements of our Investment Selection Policy. This policy sets out the requirements that determine whether an investment option should be added, removed or restricted. There are policies in place to manage any conflict of interest that may arise when adding or removing investments available through Vanguard Personal Investor, including managed funds and ETFs for which Vanguard is also the responsible entity.

Most Vanguard Australia managed funds and ETFs are available for investment via Vanguard Personal Investor. The arrangements between Vanguard as the responsible entity for these funds and ETFs and Vanguard as operator of Vanguard Personal Investor are on arm's length terms. The menu of available direct shares will generally be composed of the largest 300 securities by market capitalisation listed on the ASX. Investment options may be added or removed at any time at Vanguard's sole discretion. Generally, if you hold an investment that is subsequently removed from the Investment Menu you may be able to continue to hold that investment in Vanguard Personal Investor until such time as we advise the investment is required to be liquidated or transferred. However, you will not be able to purchase additional units/shares in that investment if it is no longer available on the Investment Menu.

## Investing in managed funds

Managed funds provide a cost-effective way for investors to access professionally managed investments. Your money is pooled with other investors so you can invest in assets that may otherwise be difficult or not cost-effective to access directly. When you invest in a managed fund you are buying units in that fund and the fund owns the underlying investments.

### Buying and selling managed funds

- You can buy or sell managed funds through Vanguard Online or the mobile app, provided you satisfy the minimum investment amount requirement. Orders made prior to 1:00pm (AET) on a business day will be processed that day and orders made after 1:00pm (AET) will be processed the next business day. We may alter this cut off time in the future and inform you of the change via Vanguard Online.
- You must have sufficient funds available for investment in your Vanguard Cash Account to pay for the managed funds. If you have insufficient funds at the time you submit your purchase order, your order will not be processed and will be cancelled.
- A minimum purchase amount of \$500 applies to the initial purchase of any managed fund (unless you are using Auto Invest where there is no minimum initial purchase amount per managed fund). If you are adding to an existing fund you already hold, there is no minimum investment amount. There is no ongoing minimum holding that must be maintained for managed funds.
- Sales of managed funds can be for either
  - a nominated dollar amount (to the nearest whole dollar),
  - a nominated number of units for partial withdrawals (this option is not currently available via the mobile app); or
  - the full amount of your managed fund holding.

- Proceeds from the sale of managed funds will be paid to your Vanguard Cash Account. The timeframe for payment will depend on the fund you are selling. Please refer to the relevant fund PDS or disclosure document for withdrawal timeframes. Sell trades may be delayed where the fund is closed or otherwise unavailable for investment.
- Instructions to buy or sell managed funds are subject to the terms and conditions of the relevant fund. We will make the PDS for each fund available to you when you make the purchase. The PDS will detail the type of assets the fund holds, how the investments will be managed and the types of risk associated with the fund, so that you can compare your risk tolerance and investment objectives with that of the fund to determine if it meets your needs. Please take the time to review and understand the investment options you select.
- We do not accept any responsibility for any movement in prices that occur during any delay in processing a purchase or withdrawal request for a managed fund.
- At Vanguard's discretion we may reject or cancel your instruction to purchase or sell managed funds. We will notify you promptly if this occurs and let you know the reason.
- There may also be reasons relating to security or financial crime, anti-bribery and corruption, terrorism or terrorism financing and sanction risks that may cause a delay, rejection, or cancellation of your instruction to buy or sell managed funds.

#### **Cancelling managed fund transaction orders**

- You can cancel a pending managed fund order through Vanguard Online or the mobile app before the cut off time of 1:00pm (AET) on the day the order was placed. If the order was placed after the cut off time or on a non-business day, the cancellation must be made before 1:00pm (AET) the next business day. We may alter this cut off time in the future and inform you of the change via Vanguard Online.
- If you wish to amend an instruction, you will need to cancel the instruction and resubmit.

#### **Distributions from managed funds**

- Any distribution you receive from a managed fund will automatically be reinvested in further units of the same fund (if permitted by the fund), subject to you providing Vanguard with your Tax File Number (TFN), Australian Business Number (ABN) or tax exemption.
- If you would prefer to have these distributions paid to your Vanguard Cash Account, please contact us via secure message. It is intended that in future you will be able to change your distribution election via Vanguard Online and we will notify you when it is available via a website update.
- Distribution reinvestment is subject to the terms and conditions outlined in the PDS of the relevant fund. If you do not provide us with your Tax File Number (TFN), Australian Business Number (ABN) or reason for exemption, or if you are not an Australian resident for tax purposes, distribution reinvestment will not be available. Instead, distributions will be paid to your Vanguard Cash Account less any applicable withholding tax.
- We recommend that you consider checking before each distribution date, for the funds you have invested in, whether there is a new PDS available for the fund, and if there is that you read the latest version of the PDS.

#### **Transferring managed fund investments to your Vanguard Personal Investor Account**

- As at the date of issue of this Guide, transfers of managed fund investments into your Vanguard Personal Investor Account is not available. Vanguard intends to offer this in future and may permit transfers in exceptional circumstances. If you wish to transfer your Vanguard Personal Investor holdings onto another platform, please contact us.

## Investing in Exchanged Traded Funds (ETFs) and Direct Shares

LISTED SECURITIES	DESCRIPTION
<b>ETFs</b>	An ETF is a managed fund traded on a stock exchange and are available for various asset classes including equities, fixed interest, listed property and cash.
<b>Direct Shares</b>	Shares are an ownership interest in a corporation or financial asset. Shares of Australian listed public companies are available to the public generally via the ASX or other exchanges. The value of direct share investments is determined by the company's share price, which generally will move up and down on a daily basis depending on a range of factors.

Please note, Vanguard Personal Investor is currently unable to facilitate the holding of certain types of securities such as Chess Depository Interests (or "CDI's") and may be required to remove securities from the Investment Menu from time to time where corporate actions such as restructuring, mergers or takeovers modify the legal structure of the corporation and result in a change in listing status. In these circumstances, we may need to sell your securities or advise you to transfer or sell the securities that are no longer available on the Investment Menu.

### Buying and selling ETFs and direct shares

- The following does not apply to the purchases of ETFs through Auto Invest. Please refer to the 'Auto Invest' section for further information.
- You can buy and sell ETFs and direct shares listed on the Investment Menu via Vanguard Online or mobile app. We will buy or sell ETF(s) and direct share(s) on your behalf as instructed by you and provide you with a transaction confirmation once the order is executed in the market.
- A minimum transaction amount of \$500 (excluding brokerage) applies to all ETF and direct share purchases. The minimum sell order is the value of one unit as sell orders are rounded to the nearest unit. If you hold less than \$500 of any ETF or direct share, it may be difficult to sell the remaining amount. There is no maximum transaction amount.
- Purchase orders can take the form of a market order or a limit order.

TYPES OF ORDERS	DESCRIPTION
<b>Market orders</b>	Market orders are placed as ASX Market Orders and will typically be executed immediately.  Market orders placed when the market is closed will be rejected.
<b>Limit orders</b>	Limit orders allow you to specify the maximum price you wish to pay to buy a security, or the minimum price you will accept to sell a security.  The price you specify for a limit order must be within a 3% tolerance of the last traded price for the relevant share or ETF. (That is, it must be no more than 3% less than or greater than the last traded price).  Limit orders can be set to be "good for a day" or "good for four weeks" and will expire at the end of the respective period if it is not completed. If a limit order or sell order is placed when the market is closed it will be processed at the next available trading time.

- You can only buy securities where the estimated total value of the purchase (including brokerage) is less than or exactly equal to the amount of cash available for investment in your Vanguard Cash Account. For market orders an additional 5% of the estimated trade value may be reserved to cover potential share price movements between when you submit your order and when the order is executed in the market. Once your order is executed, your Vanguard Cash Account will reflect the actual settlement amount required.
- Orders to buy or sell ETFs or shares will generally settle within 2 business days after they have been executed. The proceeds of the sale of ETFs and direct shares (net of brokerage) will be deposited into your Vanguard Cash Account.
- For information on fees and costs, please refer to the 'Fees and other costs' section.

### Cancelling or amending an order for ETFs or direct shares

- You can cancel a pending ETF or direct share order through Vanguard Online or the mobile app. Due to the live nature of exchange traded investments, we cannot guarantee that your cancellation instruction will be processed before your order is executed in the market.

- If you wish to cancel an order that has been partially filled, only the remaining unfilled portion of the order can be cancelled.
- If you wish to amend an existing order, you will need to cancel that order and resubmit.
- From time to time, Vanguard or our broker may reject orders. In general, we will reject an order where the price you have requested is not sufficiently close to the current market price or where the size of your order is too large relative to the volume of the security available for purchase.
- We may also reject or cancel orders where the trading on the security is halted or suspended or where the listing exchange is closed. You will be notified of the reason for a rejected or cancelled order.

### **Distributions from ETFs**

- You may receive distributions from the ETFs you hold in your Vanguard Personal Investor Account. These will be paid to your Vanguard Cash Account.
- You can elect to have your cash distributions automatically reinvested into the same ETFs via Vanguard Online.
  - If you have elected to automatically reinvest your ETF cash distributions, the cash distributions will generally be reinvested 1-2 business days after it has been paid into your Vanguard Cash Account.
  - An automatic reinvestment will only occur if the ETF cash distribution is still available in your Vanguard Cash Account, and you have not withdrawn the amount or invested it through another transaction prior to the automatic reinvestment occurring.
  - As ETFs can only be bought in whole units, automatic reinvestment will only occur if your ETF cash distribution is sufficient to buy at least 1 whole unit. Any residual cash after your automatic reinvestment of ETF cash distribution will remain in your Vanguard Cash Account.
  - The unit price at which distributions are reinvested may differ from the price that would apply if you participated directly in the distribution reinvestment plan (DRP).

### **Dividends from direct shares**

- You may receive dividend payment from the direct shares you hold in your Vanguard Personal Investor Account. Dividend payments will be paid into your Vanguard Cash Account.
- Dividend reinvestments from ASX direct shares are not currently available.

### **Corporate actions**

A corporate action is an event carried out by a listed entity that may have a material impact on its shareholders or creditors. Corporate actions can be either mandatory or voluntary. Mandatory corporate actions are automatically applied to the investments involved (e.g. dividends) while voluntary corporate actions require an investor's response to be applied.

Participation in voluntary corporate actions is not currently available through Vanguard Personal Investor. You should consider this limitation before choosing to invest in direct shares. Please see the section 'How investing in Vanguard Personal Investor is different to investing directly' in this Guide for further information.

### **Transferring ETFs and direct shares investments to your Vanguard Personal Investor Account**

- As at the date of issue of this Guide, transfers of ETFs and Direct Shares investments into your Vanguard Personal Investor Account is not available. Vanguard intends to offer this in future and may at its discretion permit transfers in exceptional circumstances. If you wish to transfer your Vanguard Personal Investor holdings onto another platform, please contact us.



# Managing your Vanguard Personal Investor Account

## Updating your account

- You can change your Vanguard Online password, update your email and residential address through Vanguard Online.
- To update your Australian mobile phone number or change your name in our records, please contact us.
- For the security of your account, when you update your Australian mobile number or linked Australian bank account, we may need to freeze withdrawals from your account whilst verifying changes.
- When you change information on your account, we may also ask you for further information to verify the changes. Any refusal or delays with providing this information could result in your account being restricted.

## Security on your account

- Your Australian mobile phone number provides important security for your Vanguard Personal Investor Account. To maintain the security and integrity of your account, we will ask you to authenticate yourself for certain transactions and when you update your account details. In these circumstances, we will send you an SMS verification code to your Australian mobile number for authentication.
- There are certain scenarios such as possible fraud or where we see unusual account activity, we may restrict or freeze access to your account. This includes suspending or restricting any transactions to the account. If your access is restricted, you will not be able to view or access your account online. If your account is frozen, please contact us by phone.

## Authorities on your account

For each account type, the following persons can access, operate, transact, and update account details. It is important to note that for accounts with multiple account holders, any one account holder can transact and update account details on behalf of all account holders.

ACCOUNT TYPE	
<b>Individual</b>	Only the named account holder, or their legally authorised representative(s).
<b>Joint</b>	Both joint account holders including their legally authorised representative(s).
<b>SMSF</b>	Trustees and/or directors of corporate trustees of SMSFs, including their legally authorised representative(s).
<b>Company</b>	Company officers including their legally authorised representative(s).
<b>Trust</b>	Trustees and/or company officers of corporate trustees (e.g. directors/company secretary), including their legally authorised representative(s).
<b>Minor (Kids)</b>	Only the named adult account holder, or their legally authorised representative(s), can operate the account. The child listed on the account cannot operate the account or give instructions in relation to the account.

## Power of Attorney

As an account holder, you can appoint a Power of Attorney to act severally on your behalf in a legal capacity. Your Power of Attorney can operate and transact on your account, and update your personal details except for changing your Vanguard Online password. To appoint a Power of Attorney, please contact us.

Please note, for an individual Vanguard Personal Investor Account, a Power of Attorney can apply to open an account for an individual investor. To apply, please contact us.

## Closing your Vanguard Personal Investor Account

Your Vanguard Personal Investor Account may be closed in any of the following circumstances (among other circumstances):

- If you request the closure of your account.
- If you have overdue account fees and no other assets in your account that could be sold to cover the fees.

- If you are in breach of the IDPS Contract.
- If you have provided false information on your account.
- We are required to close your account to meet our regulatory obligations.
- We suspect there is a breach of AML/CTF obligations or other relevant sections of the IDPS Guide.

Please refer to the Terms and Conditions outlined in this Guide for more information on account closures.

### **How to close your account**

- To close your Vanguard Personal Investor Account, please contact us.
  - You will need to sell or transfer your assets out of your Vanguard Personal Investor Account. Any outstanding investment income payable to you must be received and settled before we can close your account. We can also arrange for your assets to be transferred to a new IDPS, provided the IDPS accepts them.
  - The remaining balance of your Vanguard Cash Account will then be transferred to your Australian linked bank account and the closure of your Vanguard Personal Investor Account will be finalised.
  - Alternatively, if you are withdrawing for short term needs, you can simply withdraw your funds and choose to keep your Vanguard Personal Investor Account open with a zero balance. You will not incur any fees for a zero balance account.
  - We will not charge a fee to close your account, however you will be liable for any outstanding fees, charges or taxes payable in respect to the investments you held in your Vanguard Personal Investor Account.
- Please note, there may be delays in closing your account if your assets cannot be sold, for example due to restrictions on withdrawals from a managed fund or where we are required by law. We will normally transfer your assets in accordance with your instructions, provided the receiving asset register will accept the transferee as owner of the asset. For example, for some managed funds, all asset owners must qualify as a 'wholesale client' (as defined in the Corporations Act) and for these funds if you are not a wholesale client the asset would have to be transferred to another IDPS rather than directly to you or sold.



# Investing through Vanguard Personal Investor is different to investing directly

Investing through Vanguard Personal Investor is different to investing directly. You, as the investor, should understand how your rights differ under the different structures.

	INVESTING THROUGH VANGUARD PERSONAL INVESTOR	INVESTING DIRECTLY
<b>Access to your investments</b>	You can invest in the range of Vanguard managed funds, ETFs and ASX listed direct shares that are listed as available for purchase on our Investment Menu.	Some managed funds may not be available for you to invest in directly or they may have prohibitive minimum purchase amounts. All exchange traded products and shares available for direct (retail) investment are available to you.
<b>Ownership of your unlisted investments</b>	<p>Vanguard is the custodian of Vanguard Personal Investor and holds your Vanguard Cash Account and any unlisted assets (managed funds) you hold, on your behalf.</p> <p>You have beneficial ownership of your investment and Vanguard will hold legal title to your investments as your agent and bare trustee.</p> <p>Your rights are determined by reference to the Vanguard Personal Investor Deed Poll (the rules of Vanguard Personal Investor) and the <i>Vanguard Personal Investor – Investor Guide</i>.</p> <p>As your agent and bare trustee, Vanguard is legally obliged to hold your investments in safe keeping on your behalf and for your benefit.</p>	You as the investor are both the legal and beneficial owner of all your investments and hold all rights attached to ownership.
<b>Ownership of your listed investments</b>	<p>JPMorgan has been appointed as the sub-custodian to hold any listed securities (ETFs and direct shares) in your Vanguard Personal Investor Account on your behalf.</p> <p>JPMorgan holds legal ownership of these listed securities subject to Vanguard's direction, and you (the investor) retain beneficial ownership.</p>	You as the investor are both the legal and beneficial owner of all your investments and hold all rights attached to ownership.
<b>Consolidated reporting</b>	You will have access to comprehensive consolidated reporting on all investments held in your Vanguard Personal Investor Account.	You will receive separate reporting for each product issuer that you hold investments with.
<b>Online communications</b>	Your investment communications will all be available online or sent to you electronically. For communications regarding direct shares, you can access these via the issuer website or the ASX website.	You will receive communications from each product issuer or registry provider which may or may not be online.
<b>Cooling-off rights</b>	<p>As you are not the registered holder of the investments in your Vanguard Personal Investor Account, you are not entitled to any cooling off rights for those investments.</p> <p>The unavailability of cooling off rights may be particularly important for any investments that have restricted withdrawal rights. Some products may also have exit fees that would not have applied if cooling off rights were able to be exercised.</p>	You may be entitled to a 14 day cooling off period for some financial products if you are a retail investor. This means you have a right to cancel your investment and receive a refund from the product issuer (less fees, taxes and adjusted for market movements).

**Withdrawal rights**

As you are not the registered owner of the investments in your Vanguard Personal Investor Account, withdrawal rights are not available to you directly. Where a PDS or other disclosure document is found to be defective, or a condition of the offer is not met (for example, if a minimum subscription requirement is not satisfied), or a new circumstance arises that is materially adverse from the point of a prospective investor, the product issuer may be required to either refund the investment or give investors the option of electing to withdraw their application and receive a refund.

Where practicable Vanguard will notify you of any communication received from a product issuer in respect of an investment you have applied for through Vanguard Personal Investor that gives you the option of electing to withdraw your application and receive a refund and provide any accompanying disclosure documents. If you wish to exercise those rights we'll generally act on any instruction received from you provided the instruction is received by the required cut-off time.

Withdrawal rights available under the Corporations Act will generally be available to you.

You will be notified directly by the product issuer if the product issuer is required to give you the option of electing to withdraw your application and receive a refund.

**Voting rights**

Vanguard holds your investments in custody and as you are not the registered holder, you do not have any direct voting rights in relation to your investments held through Vanguard Personal Investor.

As the legal and beneficial owner you are entitled to exercise any voting rights and directly participate in investor proposals.

You can also attend member general meetings.

**Corporate actions**

As a sub-custodian is the registered holder of all listed securities (ETFs and direct shares) and Vanguard is the registered holder of all unlisted securities (managed funds), certain corporate actions can have different consequences compared to investors holding securities directly. You may not be eligible for certain benefits that can result from holding an investment directly and you are unable to participate in voluntary corporate actions.

For managed funds, Vanguard will offer all investors the opportunity to participate in distribution reinvestment plans offered by the product issuer and we will generally act on your instructions to participate or not in these plans, provided they are received by the nominated cut-off time.

With respect to listed securities such as ETFs and direct shares, Vanguard does not currently offer the ability to reinvest dividends/distributions nor does it offer to ability to participate in other voluntary corporate actions. However, for Vanguard ETFs we do offer investors the option to have your cash ETF distributions automatically reinvested. Please refer to the 'Investing in Exchanged Traded Funds (ETFs) and Direct Shares' section in this Guide for more information.

As a retail investor who holds both legal and beneficial ownership of your investments, you are entitled to participate in any corporate actions that are offered to you by the product issuer.

**Corporate notices**

As a sub-custodian is the registered holder of all listed securities and Vanguard is the registered holder of all unlisted securities, you will not normally receive notices of meetings and other communications from the issuers of investments held through Vanguard Personal Investor.

Please contact us if you wish to receive copies of these communications from the underlying investment issuer, either electronically or via post.

Instead, any material changes or events will be communicated to you through Vanguard Personal Investor.

As legal owner you will receive notices of meetings and other communications from share registries and managed fund product providers.

# Risks of investing

All investments carry some level of risk. It is important to understand the potential risks associated with investing and to assess these risks against your investment goals and appetite for risk. Investment risk will vary depending on the type and nature of the investment. You should undertake your own assessment of the risks of each investment option before making an investment choice.

Risks of investing through Vanguard Personal Investor include, but are not limited to:

RISK	DESCRIPTION
<b>Service interruption risk</b>	Vanguard Personal Investor is an online investment service. There may be times when the service is not available or operates with limited functionality and you may not be able to buy or sell your investments or transfer money to or from your Vanguard Personal Investor Account in a timely manner. We have appropriate controls in place to mitigate these risks and may provide alternative means of transacting or transferring money, however Vanguard is not responsible for any loss incurred should you be unable to perform transactions during a period of service interruption.
<b>Operational risk</b>	There is a risk that Vanguard, or another service provider, will fail to adequately administer or report accurately in relation to your investment in Vanguard Personal Investor. There is also a risk that circumstances beyond Vanguard's control may impact Vanguard's operation of Vanguard Personal Investor. Such occurrences may include strikes, industrial disputes, fires, war, civil disturbance, terrorist acts, state emergencies and epidemics in Australia or in other countries.

Risks specific to the investment options available through Vanguard Personal Investor that should be considered:

RISK	DESCRIPTION
<b>Market risk</b>	Is the possibility that the value of an investment will decline. Financial markets tend to move in cycles, with periods of rising prices and periods of falling prices due to varying factors such as economic, social, environment, technological or political conditions as well as market sentiment. Market risk can have a different impact on different investments. It is important to note that the value of your investment can be directly or indirectly impacted and that you may not get back what you invested.
<b>Security specific risk</b>	An investment in or exposure to a specific company or managed investment can be impacted by unforeseen changes in that company's or managed investment's operations, or business environment. Information on the security specific risk for each managed fund or ETF investment option is set out in the relevant PDS.
<b>Currency risk</b>	Investments in global markets or securities which are denominated in foreign currencies give rise to foreign currency exposure. This means that the value of these investments will vary depending on changes in the exchange rate. Information on the currency risk for each managed fund or ETF investment option is set out in the relevant PDS.
<b>Interest rate risk</b>	Changes in interest rates can either directly or indirectly impact the value and or the returns of your fixed interest investments. Generally, fixed interest security values may fall when market interest rates rise. Conversely, when market interest rates fall, fixed income security values may rise. The degree of change varies depending on the term of the fixed interest securities. Longer-term fixed interest securities are generally more impacted by interest rate risk than short-term securities.
<b>Liquidity risk</b>	Is the risk that you may not be able to convert an investment you hold into cash at short notice without a loss of capital, due to a lack of market depth, disruptions in the market place or the closure of a managed fund. Where relevant, information on the liquidity risk for each managed fund or ETF investment option is set out in the relevant PDS.

RISK	DESCRIPTION
<b>Operational risk</b>	In respect of managed funds and ETFs, there is a risk that circumstances beyond the control of the fund may impact the operation of the fund. Such occurrences may include strikes, industrial disputes, fires, war, civil disturbance, terrorist acts, state emergencies and epidemics in Australia or in the countries where the underlying securities are held.
<b>Other investment risks</b>	Please refer to the PDS or disclosure document for each managed fund or ETF investment you acquire through Vanguard Personal Investor for an explanation of the risks and taxation treatment relevant to that investment. Please undertake your own assessment of risks associated with any direct shares you may wish to acquire.

# Fees and other costs

## DID YOU KNOW?

**Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns. For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example reduce it from \$100,000 to \$80,000).**

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

**You may be able to negotiate to pay lower fees. 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)** Moneysmart website ([www.moneysmart.gov.au](http://www.moneysmart.gov.au)) has a managed funds fee calculator to help you check out different fee options.

This section shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the assets in your Vanguard Personal Investor Account.

Taxes are set out in the 'Tax information' section.

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

Fees and costs for particular investment options are set out in the PDS or other disclosure document for that investment.

## Fees and costs summary

### Vanguard Personal Investor

TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
<b>Ongoing annual fees and costs</b>		
<p><i>Management fees and costs</i></p> <p>The fees and costs for managing your investment</p> <p>The fees and costs charged by Vanguard Personal Investor:</p> <ul style="list-style-type: none"> <li>relate only to gaining access to the investment options through the platform; and</li> <li>does not include the fees and costs that relate to investing in the investment options</li> </ul>	<p><b>Account Fee:</b></p> <p>Vanguard Managed Funds, Vanguard ETFs and Vanguard Cash Account: Nil.</p> <p>All other investments: 0.10% p.a. of the value of your investment in the option(s).</p>	<p>There is no Account Fee on the value of Vanguard Managed Funds, Vanguard ETFs and Vanguard Cash Account balance.</p> <p>An Account Fee of 0.10% p.a. is calculated daily on the value of your account balance excluding your Vanguard Managed Funds, Vanguard ETFs and Vanguard Cash Account balance. This fee is deducted quarterly in arrears from your Vanguard Cash Account. At the date of this Guide, the only "other investments" available are ASX-listed direct shares.</p>
	<p><b>Interest retained on the Vanguard Cash Account:</b></p> <p>We retain part or all of the interest earned in the omnibus cash account.<sup>1</sup></p> <p>The interest rate retained for the previous financial year ending 30 June 2022, was 0.50% p.a. of the value of your Vanguard Cash Account.<sup>2</sup></p>	<p>The Interest retained on the Vanguard Cash Account is the difference between the amount of interest earned on the pooled cash held in the omnibus accounts at our authorised deposit-taking institution and the interest we credit to your Vanguard Cash Account (if any). This amount is calculated daily on the value of your Vanguard Cash Account balance and is received monthly by Vanguard before the Vanguard Cash Account Interest Rate to investors is declared (if any). It is not an amount that is deducted from your account.</p> <p>For financial year ending 30 June 2023, we anticipate the Interest rate retained on the Vanguard Cash Account is estimated to be 1.10% p.a., and for the financial year ending 30 June 2024, the interest rate retained is anticipated to range between an estimate of 4.00% and 4.50% p.a.<sup>1</sup></p>
<p><i>Performance fees</i></p> <p>Amounts deducted from your investment in relation to the performance of Vanguard Personal Investor</p>	Nil	Not applicable
<p><i>Transaction costs<sup>3</sup></i></p> <p>The costs incurred by Vanguard Personal Investor when buying or selling assets</p>	<p>Vanguard Managed Funds: N/A</p> <p>Vanguard ETFs: There is no brokerage fee for buy trades. A flat \$9.00 brokerage fee applies to sell trades.</p> <p>Direct Shares: A flat \$9.00 brokerage fee applies to buy and sell share trades.</p>	Transaction costs (brokerage fees) are deducted from your Vanguard Cash Account as and when they are incurred.

TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
<b>Member activity related fees and costs (fees for services or when your money moves in or out of Vanguard Personal Investor)</b>		
<i>Establishment fee</i> The fee to open your investment	Nil	Not applicable
<i>Contribution fee</i> The fee on each amount contributed to your investment	Nil	Not applicable
<i>Buy-sell spread<sup>4</sup></i> An amount deducted from your investment representing costs incurred in transactions by Vanguard Personal Investor	Nil	Not applicable
<i>Withdrawal fee</i> The fee on each amount you take out of your investment	Nil	Not applicable
<i>Exit fee</i> The fee to close your investment	Nil	Not applicable
<i>Switching fee</i> The fee for changing investment options	Nil	Not applicable

1. We retain part or all of the interest earned on the Vanguard Cash Account. As at the date of this Guide, from 01 July 2023, we will retain all the interest earned on the Vanguard Cash Account. This may change in future. Please refer to the 'Interest retained on the Vanguard Cash Account' section under the heading 'Additional explanation of fees and costs' for further information.
2. The interest retained on the Vanguard Cash Account reflects the actual amount incurred for the last financial year and may include Vanguard's reasonable estimates where Vanguard was unable to determine the exact amount or information was not available at the date of this Guide. Cash deposits held by Trust and Company accounts in the Vanguard Cash Account are held in the non-retail omnibus account, therefore the interest rate retained is at a lower rate.
3. Other transaction costs may apply and will depend on the investment options you choose. Please refer to the PDS or other disclosure documents for the investment option for further details.
4. We do not charge a buy-sell spread on your Vanguard Personal Investor Account, however you may incur costs for the investment options you choose. Please refer to the PDS or other disclosure documents for the investment option for further details.

The total fees and costs payable by an investor will include the costs of holding a Vanguard Personal Investor Account as well as fees and costs of any investments chosen by you.

It is important that you understand the fees and costs of any investment chosen by you, and that those fees and costs will be in addition to the fees charged by us for your Vanguard Personal Investor Account, together with transaction costs incurred on your behalf.

The fees and costs of the investments chosen by you will generally be set out in the PDS or other disclosure document for the investment.

## Examples of annual fees and costs for a Vanguard Personal Investor Account (excluding fees and costs of the investment option)

This table gives an example of how the ongoing annual fees and costs in a balanced investment option held in your Vanguard Personal Investor Account can affect your investment over a 1-year period. You should use this table to compare this product with other investor directed portfolio services.

### EXAMPLE: Vanguard Balanced Index Fund – Balance of \$50,000 with a contribution of \$5,000 during the year\*

TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
<b>Contribution Fees</b>	Nil	For every additional \$5,000 you put in, you will be charged \$0.
<b>PLUS</b> <i>Management fees and costs</i>	<b>Account Fee:</b> Nil. <b>Interest retained on the Vanguard Cash Account:</b> 4.50% p.a. <sup>1</sup>	<b>And</b> , for every \$50,000 you have in the Vanguard Balanced Index Fund you will be charged or have deducted from your investment <b>\$22.50</b> <sup>2</sup> each year
<b>PLUS</b> <i>Performance fees</i>	Nil	<b>And</b> , you will be charged or have deducted from your investment <b>\$0</b> in performance fees each year
<b>PLUS</b> <i>Transaction costs</i> <sup>2</sup>	\$0	<b>And</b> , you will be charged or have deducted from your investment <b>\$0</b> in transaction costs
<b>EQUALS</b> Cost of Vanguard Balanced Index Fund		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees and costs of: <b>\$22.50</b> <sup>2</sup>  <b>What it costs you will depend on the investment option you choose and the fees you negotiate.</b> <sup>3</sup>

\* The amounts of \$50,000 and \$5,000 are prescribed by legislation for use in this example. The example assumes the \$50,000 is invested for the full year, the value of the investment is consistent over the year and the additional \$5,000 is invested at the end of the year, and therefore management fees and costs are associated with the initial \$50,000 only. The dollar amount varies due to rounding.

The example also assumes a Vanguard Cash Account balance of \$500, with the balance of \$49,500 invested in the Vanguard Balanced Index Fund. The assumption is on the basis that investors can be expected to normally maintain a cash balance in their Cash Account to cover the Account Fee and any applicable brokerage, however there is no required minimum balance.

1. We retain part or all the interest earned on the Vanguard Cash Account. As at the date of this Guide, from 01 July 2023, we will retain all the interest earned on the Vanguard Cash Account. This may change in future. The example assumes the interest rate retained of 4.50% p.a. for illustration purposes. Please refer to the 'Interest retained on the Vanguard Cash Account' section under the heading 'Additional explanation of fees and costs' for further information.
2. The example only shows the fees and costs that relate to accessing investments using Vanguard Personal Investor and does not include the fees and costs of the investment options, such as management fees and costs, transaction costs and buy-sell spreads. Please refer to the PDS or other disclosure documents for the investment option for further details. Refer to the following examples that illustrate the combined effect of the fees and costs.
3. You cannot negotiate to pay lower fees on Vanguard Personal Investor.

The fees and costs charged by Vanguard Personal Investor relate to the platform and access to investment options only, and do not include the fees and costs that relate to investing in the managed funds, ETFs and direct shares that are available through Vanguard Personal Investor. Additional fees and costs will be charged by the issuers of the managed funds, ETFs and direct shares in which you decide to invest.

The following examples show the combined effect of the fees and costs for Vanguard Personal Investor and the fees and costs for a managed fund, ETF or direct share that is available through Vanguard Personal Investor. These examples are for illustrative purposes only.



### Example A: Example of total annual fees and costs for a mixed \$50,000 portfolio with a contribution of \$5,000 during the year\*

This table gives an example of how the ongoing annual fees and costs for a range of investment options held in your Vanguard Personal Investor Account can affect your investment over a 1-year period. You should use this table to compare this product with other investor directed portfolio services.

This example assumes an investment of \$50,000 in a portfolio\* comprised of:

- \$500 Vanguard Cash Account
- \$20,000 Vanguard High Growth Index Fund
- \$20,000 Vanguard Australian Shares Index ETF
- \$9,500 Direct Shares

EXAMPLE A – MIXED PORTFOLIO	CALCULATION	FEE AMOUNT
<i>Management fees and costs</i>		
Account fee on Vanguard investments and Vanguard Cash Account	Nil x \$40,500	\$0.00
+ Account fee on all other investments ( <i>including direct shares</i> )	0.10% x \$9,500	\$9.50
+ Interest retained on the Vanguard Cash Account	4.50% <sup>1</sup> x \$500	\$22.50
+ Management fees and costs of Vanguard High Growth Index Fund	0.29% <sup>2</sup> x \$20,000	\$58.00
+ Management fees and costs of Vanguard Australian Shares Index ETF	0.10% <sup>2</sup> x \$20,000	\$20.00
+ Management fees and costs of Direct Shares	N/A	N/A
		<b>\$110.00</b>
<i>Performance fees</i>		
	Nil	\$0.00
<i>Transaction costs</i>		
Transaction costs of the Vanguard Cash Account	N/A	N/A
+ Transaction costs of Vanguard High Growth Index Fund	0.00% <sup>3</sup> x \$20,000	\$0.00
+ Transaction costs of Vanguard Australian Shares Index ETF	0.00% <sup>3</sup> x \$20,000 <i>There is no brokerage fee for ETF buy trades<sup>4</sup></i>	\$0.00 <sup>4</sup>
+ Transaction costs of Direct Shares	<i>A flat brokerage fee applies to both buy and sell Direct Share trades<sup>5</sup></i>	\$9.00 <sup>5</sup>
		<b>\$9.00</b>
<b>EQUALS</b> Cost of portfolio	<p>If you had an investment of \$50,000 at the beginning of the year invested in the portfolio outlined above and you put in an additional \$5,000 during that year, you would be charged fees and costs of:</p> <p style="text-align: center;"><b>\$119.00 p.a.</b></p> <p><b>What it costs you will depend on the investment option you choose and the fees you negotiate.<sup>6</sup></b></p> <p>This represents 0.22% of the total price of \$55,000 you paid to acquire the investments through Vanguard Personal Investor.</p>	

Footnotes appear over page

\* The example assumes the \$50,000 is invested for the full year, the value of the investment is consistent over the year and the additional \$5,000 is invested at the end of the year, and therefore management fees and costs and transaction costs are associated with the initial \$50,000 only. The dollar amount varies due to rounding.

The example also assumes a Vanguard Cash Account balance of \$500, with the balance of \$49,500 invested. The assumption is on the basis that investors can be expected to normally maintain a balance in the Vanguard Cash Account to cover the Account Fee and any applicable brokerage, however there is no required minimum balance. Additional fees may apply, such as a buy spread on acquiring an investment in a managed fund, or a sell spread on withdrawing from a fund.

1. We retain part or all the interest earned on the Vanguard Cash Account. As at the date of this Guide, effective 01 July 2023, we will retain all the interest earned on the Vanguard Cash Account. This may change in future. The example assumes the interest retained of 4.50% p.a. for illustration purposes. Please refer to the 'Interest retained on the Vanguard Cash Account' section under the heading 'Additional explanation of fees and costs' for further information.
2. These are the management fees and costs for these investment options at the date of this Guide and may change. Please refer to the PDS or other disclosure documents for the investment options for further details.
3. These are the transaction costs for these investment options as at the date of this Guide and may change. Please refer to the PDS or other disclosure documents for the investment options for further details.
4. There is no brokerage fee to buy Vanguard ETFs. A flat \$9.00 brokerage fee applies to sell trades.
5. A flat \$9.00 brokerage fee applies to buy and sell Direct Share trades. If you acquire Direct Shares in multiple transactions, you will be charged a brokerage fee for each trade.
6. You cannot negotiate to pay lower fees on Vanguard Personal Investor.

## Example B: Example of total annual fees and costs for a mixed \$50,000 portfolio with a contribution of \$5,000 during the year\*

This table gives an example of how the ongoing annual fees and costs for a range of investment options held in your Vanguard Personal Investor Account can affect your investment over a 1-year period. You should use this table to compare this product with other investor directed portfolio services.

This example assumes an investment of \$50,000 in a portfolio\* comprised of:

- \$500 Vanguard Cash Account
- \$24,750 Vanguard Australian Shares Index ETF
- \$24,750 Direct Shares

EXAMPLE B – MIXED PORTFOLIO	CALCULATION	FEE AMOUNT
<i>Management fees and costs</i>		
Account fee on Vanguard investments and Vanguard Cash Account	Nil x \$25,250	\$0.00
+ Account fee on all other investments (including direct shares)	0.10% x \$24,750	\$24.75
+ Interest retained on the Vanguard Cash Account	4.50% <sup>1</sup> x \$500	\$22.50
+ Management fees and costs of Vanguard Australian Shares Index ETF	0.10% <sup>2</sup> x \$24,750	\$24.75
+ Management fees and costs of Direct Shares	N/A	N/A
		<b>\$72.00</b>
<i>Performance fees</i>		
	Nil	\$0.00
<i>Transaction costs</i>		
Transaction costs of the Vanguard Cash Account	N/A	N/A
+ Transaction costs of Vanguard Australian Shares Index ETF	0.00% <sup>3</sup> x \$24,750	\$0.00
	<i>There is no brokerage fee for ETF buy trades<sup>4</sup></i>	\$0.00 <sup>4</sup>
+ Transaction costs of Direct Shares	<i>A flat brokerage fee applies to all Direct Share trades<sup>5</sup></i>	\$9.00 <sup>5</sup>
		<b>\$9.00</b>

### EQUALS Cost of portfolio

If you had an investment of \$50,000 at the beginning of the year invested in the portfolio outlined above and you put in an additional \$5,000 during that year, you would be charged fees and costs of: **\$81.00 p.a.**

#### What it costs you will depend on the investment option you choose and the fees you negotiate.<sup>6</sup>

This represents 0.15% of the total price of \$55,000 you paid to acquire the investments through Vanguard Personal Investor.

- \* The example assumes the \$50,000 is invested for the full year, the value of the investment is consistent over the year and the additional \$5,000 is invested at the end of the year, and therefore management fees and costs and transaction costs are associated with the initial \$50,000 only. The dollar amount varies due to rounding.
- The example also assumes a Vanguard Cash Account balance of \$500, with the balance of \$49,500 invested. The assumption is on the basis that investors can be expected to normally maintain a balance in the Vanguard Cash Account to cover the Account Fee and any applicable brokerage, however there is no required minimum balance. Additional fees may apply, such as a buy spread on acquiring an investment in a managed fund, or a sell spread on withdrawing from a fund.
1. We retain part or all of the interest earned on the Vanguard Cash Account. As at the date of this Guide, effective 01 July 2023, we will retain all the interest earned on the Vanguard Cash Account. This may change in future. The example assumes the interest rate retained of 4.50% p.a. for illustration purposes. Please refer to the 'Interest retained on the Vanguard Cash Account' section under the heading 'Additional explanation of fees and costs' for further information.
  2. These are the management fees and costs for these investment options at the date of this Guide and may change. Please refer to the PDS or other disclosure documents for the investment options for further details.
  3. These are the transaction costs for these investment options as at the date of this Guide and may change. Please refer to the PDS or other disclosure documents for the investment options for further details.
  4. There is no brokerage fee to buy Vanguard ETFs. A flat \$9.00 brokerage fee applies to sell trades.
  5. A flat \$9.00 brokerage fee applies to buy and sell Direct Share trades. If you acquire Direct Shares in multiple transactions, you will be charged a brokerage fee for each trade.
  6. You cannot negotiate to pay lower fees Vanguard Personal Investor.

## **Additional explanation of fees and costs**

### **Account Fee**

The Account Fee of 0.10% p.a. only applies to non-Vanguard investments (currently, directly held ASX listed shares) and is charged by Vanguard for performing the functions as operator of Vanguard Personal Investor, including reporting, custodial and settlement services. The Account Fee of 0.10% p.a. is calculated daily on the value of your non-Vanguard investment account balance. This fee is deducted quarterly in arrears from your Vanguard Cash Account.

The Account Fee does not include any expense incurred in acquiring or disposing of investments on your behalf such as brokerage fees for trading ETFs or direct shares. The Account Fee applies for any period you hold non-Vanguard investments in your Vanguard Personal Investor Account.

If your Vanguard Cash Account has insufficient money to pay the Account Fee, we will notify you to deposit money into your Vanguard Cash Account or we may sell some of your assets. If there are no other assets in your account or the assets cannot be sold, we reserve the right to close your account or suspend activity on your account. If your account is suspended, please contact us by phone.

### **Interest retained on the Vanguard Cash Account**

All amounts in your Vanguard Cash Account are held in an omnibus account at our authorised deposit-taking institution. The pooled cash held in the omnibus account earns interest at a rate negotiated by us with the authorised deposit-taking institution. We may retain some or all of that interest. The amount we retain is the 'Interest retained on the Vanguard Cash Account' referred to in this Guide.

As at the date of this Guide, from 01 July 2023, we will retain all interest earned on the pooled cash held in the omnibus account at our authorised deposit-taking institution. In future, we may decide to retain only part of the interest earned by the pooled cash in the omnibus account. Where we retain part of the interest, the interest you earn will be credited to your Vanguard Cash Account and the interest rate will be published on our website at [vanguard.com.au/personal](http://vanguard.com.au/personal). The amount we retain is deducted from the interest earned

on the pooled cash before interest is allocated to investors at the declared rate (if any). This amount we retain is not deducted from your account.

As at the date of this Guide, the Interest rate retained on the Vanguard Cash Account for the previous financial year ending 30 June 2022 was 0.50% p.a. For the current financial year ending 30 June 2023, we anticipate the Interest rate retained on the Vanguard Cash Account to be an estimate of 1.10% p.a. For next financial year ending 30 June 2024, the Interest rate retained on the Vanguard Cash Account is anticipated to range between an estimate of 4.00% and 4.50% p.a. This is based on the Reserve Bank of Australia (RBA) official cash rate, the interest rate paid by our authorised deposit taking institution and amount of interest that Vanguard determines to retain and accordingly may vary from time to time.

### **Fees and costs of investments**

The investment returns of Vanguard Managed Funds and ETFs are net of management fees and other costs (including indirect costs) that apply. Some funds have performance fees in addition to the management fee. The method for calculating the performance fees varies between the managed funds and the details are included in the PDS or other disclosure document of the relevant managed fund.

Unlisted managed funds may charge investors an estimate of the transaction costs that the fund will incur to buy or sell its underlying assets. This buy/sell spread is incorporated into the price paid to purchase or sell units and the amount of the spread accrues to the fund.

For further information regarding the fees and other costs for each managed fund, refer to the PDS or other disclosure document for the relevant managed fund or ETF.

### **Transaction costs deducted from your Vanguard Personal Investor Account**

Transaction costs payable in respect of ETFs and directly held ASX listed shares acquired through Vanguard Personal Investor are the brokerage fees paid at the time of purchase or sale. They are added to the buy or sell value of any order for ETFs or direct shares. The total amount is deducted from your Vanguard Cash Account at the time of purchase or sale.

There are no transaction costs charged in respect of depositing or withdrawing money in your Vanguard Cash Account or buying or selling managed funds accessed via Vanguard Personal Investor.

Transaction costs are an additional cost to you if you trade in ETFs or direct shares, and are not recovered under a buy/sell spread as there is no buy/sell spread charged in respect of Vanguard Personal Investor.

The table below summarises the transaction costs applicable in respect of Vanguard Personal Investor.

TRANSACTION COSTS	BUY FEE AMOUNT	SELL FEE AMOUNT
Deposit into or withdraw money from your Vanguard Cash Account	Nil	Nil
Buy or sell units in managed funds	Nil	Nil
Brokerage on Vanguard ETFs	\$0.00	\$9.00 flat fee per trade. Deducted from the proceed of your sell order at the time of execution
Brokerage on direct shares	\$9.00 flat fee per trade. Added to the total purchase price.	\$9.00 flat fee per trade. Deducted from the proceed of your sell order at the time of execution

### Transaction costs of investment options

Transaction costs arise from trading activity to execute the investment strategy for a managed fund or ETF such as settlement and clearing costs, and which are not the result of investors buying or selling units in the managed fund or ETF, are incurred at the time the fund undertakes the trading activity and included in the fund's unit price.

Such indirect transaction costs are not deducted from your Vanguard Personal Investor Account, but they are additional costs of investing. Further information on transaction costs for each managed fund and ETF available through Vanguard Personal Investor is provided in the PDS or other disclosure document for the relevant managed fund or ETF.

### Goods and Services Tax (GST)

All the fees and costs described in this Investor Guide are inclusive of any GST and net of any reduced input tax credits (RITCs) that may be claimed, stated at the current rate charged under the *A New Tax System (Goods and Services Tax) Act 1999*.

If at any time in the future the Australian Government changes the rate of GST, the fees and costs deducted from your account may change.

### Charging fees and costs

We may recover fees, costs, charges and expenses in relation to your account and investments held in your Vanguard Personal Investor Account from your Vanguard Cash Account, set off these amounts against any amounts payable by us to you, or sell down any of your assets to meet these amounts. We may also terminate your IDPS contract or suspend your use of Vanguard Personal Investor if any fees, costs, charges and expenses remain unpaid.

### Changes to fees and costs

We reserve the right to change our fees at any time or introduce new fees. We will give you at least 30 days written notice prior to increasing any fee or introducing new fees.

### Reduced Account Fees

At Vanguard's discretion, we may charge a reduced Account Fee to certain investors.

### Adviser fees

Additional fees may be paid or payable by you to a financial adviser. Please refer to the relevant Statement of Advice provided by your financial adviser for information about fees payable to your financial adviser.

# Tax information

## Taxation

The tax information contained in this Guide is based on our understanding of Australian tax laws effective as at the date of this Guide. It is provided for general information only and is not intended to provide an exhaustive or definitive statement as to all the possible tax outcomes for investors. Please note that we do not provide tax advice. As each investor's circumstance is different, we recommend you seek professional tax advice concerning the particular tax implications of investing through Vanguard Personal Investor.

The tax information provided in this Guide relates to Australian tax residents who hold their investments on capital account for income tax purposes and who are not exempt from taxation and does not consider any non-Australian tax consequences. Investors who fall outside these categories (for example, investors who are non-residents, hold their units on revenue account or as trading stock or who have made a fair value or financial reports election under the taxation of financial arrangement (or "TOFA") rules), should seek independent professional advice in relation to their specific circumstances.

You should be aware that the Australian Taxation Office (ATO) is continuing to review the treatment of bare trusts and similar arrangements such as an IDPS which may impact the taxation treatment of this Product. We will inform you to the extent there are material changes impacting your account.

## Taxation on Income

Investments in your Vanguard Personal Investor Account can derive income, such as distributions from managed funds and ETFs and dividends from direct shares. As you remain the beneficial owner of the investments in your account, the income tax consequences of investing should generally be the same as if you held the investments directly.

Generally, income received from investments in managed funds, ETFs and direct shares held by you in your Vanguard Personal Investor Account will form part of your assessable income, including any franking credits and/or foreign income tax offsets. This is the case regardless of whether the money is actually paid to your Vanguard Cash Account or reinvested.

## Franking Credits

Your income derived from investments may include franking credits attached to franked dividends in respect of Australian shares. Subject to relevant qualification requirements (including a 45-day holding period), these franking credits will need to be included in your taxable income and, depending on your circumstances, may be available to offset your tax liability. You may also be entitled to a refund if the franking credits exceed your total income tax liability.

## Foreign Income

Income received from sources outside Australia may be subject to tax in the country of source. Australian tax resident investors may be entitled to claim a foreign income tax offset against their Australian tax liability in respect of this tax.

## Capital Gains

Taxable capital gains from the disposal of investments or received as part of a managed fund or ETF distribution will generally form part of your assessable income.

Depending on your circumstances, you may be eligible for a Capital Gains Tax (CGT) discount if the investments are held for at least 12 months before disposal. You should obtain professional tax advice about the availability of a CGT discount.

Any capital loss arising on disposal of your investment may be able to be offset against capital gains arising in that year or subsequent years.



## Disposal of Securities

Where you have purchased the same security over multiple transactions, these securities will be allocated to "parcels". The method for allocating the sales against parcels will be defaulted to First In First Out (FIFO); under this method the first parcel purchased will be deemed to be the first parcel sold.

## Asset transfers

Where available, the process for transferring an investment that you currently hold outside of this IDPS into your Vanguard Personal Investor Account will vary depending on the investment. Where there is no change in beneficial ownership there should be no capital gains tax implications because of the transfer, however this will be dependent on your own individual circumstances and we recommend you seek independent professional tax advice.

## Annual Tax Statements

Following the end of each financial year you will receive an Annual Tax Statement to assist you with completing your annual income tax return. We will notify you when this is available online.

Where there have been assets transferred from outside of this IDPS into your Vanguard Personal Investor Account, we will rely on the tax parcel information you supplied at the time of the transfer. Any capital gains or losses from a disposal of these transferred assets will be calculated and shown on your Annual Tax Statement using that information.

## Non-residents

If you are not a resident of Australia for tax purposes, then certain distributions that are paid to you from an Australian source may be subject to withholding tax.

## Quoting your Tax File Number (TFN), TFN exemption or Australian Business Number (ABN)

Collection of your TFN is authorised and its use and disclosure are strictly regulated by Commonwealth tax laws and the *Privacy Act 1988*. You may quote a TFN, ABN or claim a TFN exemption when completing your application. If you choose not to quote a TFN, ABN or TFN exemption, we will be required to deduct tax at the prescribed rate (at the date of this Guide this was the highest marginal tax rate plus any applicable levies).

## US Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standard (CRS)

FATCA is a US law which impacts investors worldwide. FATCA attempts to minimise US income tax avoidance by US persons investing in foreign assets, including through their investments in foreign financial institutions. FATCA requires reporting of US persons' direct and indirect ownership of non-US accounts and non-US entities to the US Internal Revenue Service (IRS).

Similarly, the Organisation for Economic Cooperation and Development (OECD) has established a Common Reporting Standard (CRS), which requires participating jurisdictions to obtain information from their financial institutions and exchange it with other participating jurisdictions as of 1 July 2017.

Under FATCA, the Australian Government has entered into an Inter-Governmental Agreement (IGA) with the Government of the United States of America for reciprocal exchange of taxpayer information. Under the IGA, financial institutions operating in Australia report information to the ATO rather than the IRS. The ATO may then pass the information on to the IRS.

We may request certain information or documents from you as is necessary to verify your identity and FATCA and CRS status. We may disclose this information to the ATO (who may share this information with other tax authorities) as necessary to comply with FATCA, CRS or applicable implementing law or regulation.

## Tax information on Personal Investor Kids Account

Investment income earned on a Personal Investor Kids Account, including any capital gains from the disposal or transfer of investments, is typically taxed to the minor at special minor rates which are higher than the tax rates which apply to adults (unless special circumstances apply). Capital gains tax implications may also arise if investments in the account are transferred to the child at a later time (for example, once they turn age 18 and have their own Personal Investor Account).

# Other important information

## How we communicate with you

### Electronic notifications

To ensure you have the most up to date information about your investments we will send you electronic notifications via email or through Vanguard Online. These notifications will provide you with information such as updates to our services, confirmation of transactions or changes to our fees. Please ensure you keep your contact details up to date. If you prefer to receive information by mail, please contact us.

### Annual Transaction and Annual Tax Statements

Your Annual Transaction Statement and Annual Tax Statement will be available on Vanguard Online after the end of each financial year. We'll notify you when these statements are available online.

## When we may not act on your instructions

We will generally act on your instructions to transact on your Vanguard Personal Investor Account, except for certain circumstances. Please refer to the Terms and Conditions outlined in this Guide for further details.

## Service interruptions

In general, we seek to ensure our online services are available 24 hours a day, 7 days a week, however they may be unavailable from time to time. In the event Vanguard Online or the mobile app is not available, you can contact us on 1300 655 101 from 8:00am to 6:00pm (AET) Monday to Friday. If our online services are not available, Vanguard will not be liable for any loss incurred if you were not able to transact on your account.

## Voting Policy

The *Vanguard Personal Investor Voting Policy* is available free of charge on our website at [vanguard.com.au/personal](https://vanguard.com.au/personal) or on request by calling us on 1300 655 101.

Vanguard holds your investments in custody and as you are not the registered holder, you do not have any voting rights.

## Protecting your Privacy

Vanguard is committed to respecting the privacy of your personal information. Privacy laws regulate, among other matters, the way organisations collect, use, disclose, keep secure and give people access to their personal information. Vanguard's privacy policy states how Vanguard manages personal information. Vanguard collects personal information in the application process and may collect additional personal information while managing your account, in order to:

- provide this product to you,
- comply with our regulatory obligations under the AML/CTF laws throughout the period you are an investor with us and 7 years after you are no longer an investor with us, and
- to establish and manage your investments.

Vanguard may obtain information about the investor or any beneficial owners from third parties if it is believed this is necessary to comply with relevant laws. Vanguard may be required by law to disclose personal information to relevant regulators (whether in or outside of Australia).

If you do not provide the information requested in the application process, Vanguard may not be able to process or accept your application.

To obtain a copy of our privacy policy or to access or update your personal information, visit [vanguard.com.au/personal](https://vanguard.com.au/personal) or call us directly on 1300 655 101.

## Anti-money laundering, counter terrorism financing obligations, sanctions laws and anti-bribery and corruption laws

We are bound by laws concerning the combating of money laundering and the financing of terrorism (including the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth)); as well as meeting sanctions obligations and anti-bribery and corruption laws, or any other relevant laws.



We are required to carry out procedures that verify your identity before providing services to you, and updating this information from time to time thereafter. By entering into a contract with Vanguard you agree that:

- You are not applying for a Vanguard Personal Investor Account under an assumed or false name (i.e. aliases or pseudonyms).
- Any money you invest is not derived from or related to any criminal or illegal activities.
- Any proceeds will not be used in relation to any criminal, terrorism and terrorism financing or other illegal activities.
- You will not initiate, engage in, or effect a transaction that may be in breach of AML/CTF law, Anti-bribery or Corruption or sanctions (or the law or sanctions of any other country) in which Vanguard operates in.
- On request, you will provide us with any identity and additional information we may require to comply with relevant laws or legislation (such as AML/CTF laws or sanctions). This could include, but is not limited to, information about you, your transactions and your related parties, including the source of funds or source of wealth used in connection with the investment.
- We may obtain information about you, your legal personal representative, anyone acting on your behalf, a holder of a beneficial interest in the investment or the source of funds used in connection with the investment from third parties if we believe this is necessary to comply with AML/CTF laws or sanctions obligations.
- To comply with relevant laws and legislation, we may be required to act, including delaying or refusing the processing of any application or any transaction related to your account if we believe or suspect that the application or transaction may breach any obligation or cause us to commit or participate in an offence under any relevant laws, including AML/CTF laws, Anti-bribery and Corruption or sanctions. We will not incur any liability in doing so.
- Where legally obliged to do so (e.g. receipt of a lawful notice from a Commonwealth, State or Territory law enforcement agency), we may disclose the information gathered to regulatory and/or law enforcement agencies or other entities. We may share this information with other members of the Vanguard Group.
- We can close your account without notice in the following circumstances:
  - if we suspect that there is a breach of any of the conditions set out in this section, or
  - there is unsatisfactory or unlawful conduct by you, or
  - if you fail to provide required information and documentation as requested within a stipulated time period, or
  - if we consider that we need to close your account for any other reason in order to manage appropriately any risks to which we are exposed (including the risk of damage to our reputation).

# Terms and Conditions

**WARNING:** There are significant differences between acquiring a financial product directly and acquiring that product through Vanguard Personal Investor. The important differences are explained in this Guide, in the section 'How investing through Vanguard Personal Investor is different to investing directly.'

By investing through Vanguard Personal Investor, you do not have access to some of the rights and entitlements that would otherwise be available to you as a retail investor if you invested in the underlying investment options directly. This includes not having the same rights as direct retail investors or not having access to cooling off rights, withdrawal rights, voting rights and corporate actions as outlined in this Guide. You acknowledge this by entering a contract with Vanguard.

These Terms and Conditions apply to your participation in Vanguard Personal Investor as a client. The terms and conditions of use for Vanguard Online and the Vanguard Australia mobile app apply in addition to these Terms and Conditions.

## 1. Your contract with us

- (a) By opening a Vanguard Personal Investor Account or a Vanguard Personal Investor Kids Account and accepting these Terms and Conditions, you offer to enter a contract with Vanguard. A contract between you and Vanguard is formed when we accept your application.
- (b) Your rights and obligations as a client of Vanguard Personal Investor and our rights and obligations as operator of Vanguard Personal Investor, are governed by:
  - (i) the Deed Poll for Vanguard Personal Investor, which is the document signed by Vanguard to establish and set out the rules of Vanguard Personal Investor; and

- (ii) the terms of the contract between you and Vanguard (the IDPS Contract), which are set out in:
    - (A) the online account application form; and
    - (B) these Terms and Conditions.
- (c) You are bound by the terms of the Deed Poll and your IDPS Contract when we accept your application.
- (d) A copy of the Deed Poll is available from us free of charge on request.
- (e) We may vary the Deed Poll in accordance with the Deed Poll, and we may vary these Terms and Conditions in accordance with clause 19 of these Terms and Conditions.
- (f) If you open a Vanguard Personal Investor Account as trustee of a trust (including an SMSF), you warrant that:
  - (i) you are the trustee of the trust;
  - (ii) the trust deed is valid and enforceable;
  - (iii) you have the power and authority to enter into, and exercise any of the trust's rights and obligations under, the Deed Poll and IDPS Contract on behalf of the trust; and
  - (iv) you are bound by the terms of the Deed Poll and IDPS Contract both personally and in your capacity as trustee.

## 2. Vanguard Personal Investor Kids Account

- (a) In order to open a Vanguard Personal Investor Kids Account:
  - (i) you will need to have an existing Vanguard Personal Investor Account and comply with applicable AML/CTF obligations. An existing Vanguard Personal Investor Account as at the date of this Guide includes Individual, Joint, Trust, SMSF and Company account types;
  - (ii) the child will need to be under 18 years of age as at the date the account is opened; and

- (iii) if there is more than one child, a separate Vanguard Personal Investor Kids Account will need to be opened for each child.
- (b) You acknowledge that the Vanguard Personal Investor Kids Account is legally owned by you. The child named on the Vanguard Personal Investor Kids Account has no entitlement to operate the account. Vanguard will not accept or act upon (subject to law) any instructions from the child in relation to the account.
- (c) You acknowledge that any references to terms such as "as trustee for", "on behalf of", "for the benefit of" and "beneficiary" in this IDPS Guide, these Terms and Conditions or other information provided in respect of the Vanguard Personal Investor Kids Account do not impart a legal trustee/beneficiary relationship as between you and the child in respect of the account.
- (d) You acknowledge that by appointing an Authorised Representative, you agree to be responsible for the actions of the nominated authorised representative(s). You also release, discharge and agree to indemnify Vanguard for any losses, liabilities, actions, proceedings, accounts, claims and demands in respect of any liabilities arising out of this appointment.

### 3. Your responsibilities

You are responsible for all investment selection decisions and the monitoring of your investments held through your Vanguard Personal Investor Account or Vanguard Personal Investor Kids Account (as the case may be).

### 4. How you can provide us with instructions

- (a) You can provide us with instructions relating to your Vanguard Personal Investor Account or Vanguard Personal Investor Kids Account online via Vanguard Online. You can also provide us with limited trading instructions via the mobile app and we may accept instructions by other mechanisms such as telephone or email.
- (b) Joint account-holders agree that either party on the account is authorised to operate the account on behalf of the other account holder – i.e. 'any to sign'. Joint investor accounts are offered as "Joint tenants" under Australian law which means

that the entire account holding is equally and jointly owned by each account holder.

- (c) Trustees and Company Officers of corporate trustees of a trust (including SMSFs) agree that any one signatory on the account is authorised to operate the account on behalf of other signatories to the account – also 'any to sign'.
- (d) Company Officers of companies agree that any one signatory on the account is authorised to operate the account on behalf of other signatories to the account – also 'any to sign'.

### 5. Your Vanguard Cash Account

- (a) You direct us to hold your money in your Vanguard Cash Account until you make a purchase of investments or make a withdrawal.
- (b) You will ensure that there are sufficient cleared funds in your Vanguard Cash Account before you purchase investment options or process a withdrawal. You agree that we will use the funds in your Vanguard Cash Account to purchase investments, fund withdrawals or pay fees and expenses incurred in your Vanguard Personal Investor Account or Vanguard Personal Investor Kids Account (as the case may be).
- (c) You will be responsible for any fees, costs, charges or expenses we incur as a result of funds in your Vanguard Cash Account not being cleared at the time we withdraw them to process a transaction.
- (d) You will ensure that your Vanguard Cash Account is linked to an Australian bank account held in the same name as the Vanguard Personal Investor Account, and that your linked bank account is held with an Australian authorised deposit-taking institution (which may include financial institutions, other than banks, such as a building society or credit union). You acknowledge that you cannot link your Vanguard Personal Investor Account to a third parties' bank account or an international bank account.
- (e) You will ensure that you have an Australian bank account linked to your Vanguard Cash Account at all times.
- (f) You acknowledge that you can generally update your linked Australian bank account details through Vanguard Online. For the

security of your account, you acknowledge that if you update your Australian linked bank account, we will delay the payment of cash withdrawals to this new bank account for up to 30 days. We will continue to process other transactions and instructions normally. In certain circumstances we may also request for additional documentation to verify your new linked bank account details.

#### **6. Auto Invest (where selected)**

- (a) You authorise us to deduct (by direct debit) the nominated amount from your linked Australian bank account at the frequency you nominate.
- (b) You acknowledge that under Auto Invest, a regular investment acquisition of a managed fund and ETF may occur without you having been given the current Product Disclosure Statement (PDS) of your chosen investment option(s). You can obtain the latest copy of each PDS on our website.
- (c) You acknowledge that Auto Invest will continue to be made under the regular investment plan until the contribution end date you set up, or until you instruct us otherwise, or the arrangement constituting the regular investment plan is otherwise terminated.
- (d) You will make sure there are enough cleared funds in your linked Australian bank account before each direct debit to enable Auto Invest to continue.
- (e) You acknowledge that your Auto Invest may be cancelled or paused if our attempt to direct debit your linked bank account is dishonoured by your bank.
- (f) You will be responsible for any fees, costs, charges or expenses you incur if your bank dishonours our direct debit request.

#### **7. When we may not act on your instructions**

- (a) At Vanguard's discretion we may reject or cancel your instructions in relation to your investments. We will notify you promptly if this occurs and let you know the reason.
- (b) We may not act on your instructions in any of the following circumstances:
  - (i) If we know or suspect that the person giving the Instruction is in breach of the Deed Poll or we doubt the authenticity of the instruction.

- (ii) If we know or suspect, in relation to Vanguard Personal Investor Kids Account, that the child is giving the instruction.
- (iii) If you have not complied with the requirements in respect of the instructions set out in clause 4 of these Terms and Conditions.
- (iv) If acting on them would cause Vanguard to breach any law or the Deed Poll.
- (v) If the instruction is to acquire or accept something which is not an asset in your account, or which is not listed on the Investment Menu or is listed as unavailable to new investors.
- (vi) If acting on them:
  - (A) at the time they are received, is not permitted, or is restricted for any reason (for example, market closure or suspension); or
  - (B) would otherwise be impracticable to execute for any reason;
- (vii) If acting on them would be contrary to relevant market practices.
- (viii) If you do not comply with the rules set out under the section 'Anti-money laundering, counter terrorism financing obligations, sanction laws and anti-bribery and corruption laws' in this Guide.
- (ix) If providing the product or service would cause Vanguard to breach any laws including sanctions, anti-bribery and corruption and/or AML/CTF laws.
- (x) Unless you have made arrangements which Vanguard considers satisfactory for payment of any unpaid amounts or amounts which Vanguard considers will become payable from acting on that instruction.
- (xi) If the Instructions are unclear, ambiguous or Vanguard is otherwise not satisfied as to the meaning of the instruction.
- (xii) If in Vanguard's opinion our possible personal liability arising from acting on that instruction is not excluded or limited to our satisfaction.

## 8. Termination or suspension

- (a) Vanguard may terminate the IDPS Contract and/or suspend activity on your Vanguard Personal Investor Account or Vanguard Personal Investor Kids Account (as the case may be), and accordingly you will not be able to undertake any transaction in relation to the account, at any time by reasonable notice to you, or without notice to you in any of the following circumstances:
- (i) there is insufficient balance in your Vanguard Cash Account to cover your fees and:
    - (A) you have not deposited money into your Vanguard Cash Account 30 days after we have given you notice that the deposit payment is required; or
    - (B) there are no other assets in your Vanguard Personal Investor Account, or the assets are not able to be sold;
  - (ii) you are in breach of the IDPS Contract;
  - (iii) we are required to close your account to meet our legal and regulatory obligations;
  - (iv) you have provided false or misleading information to use in relation to your account; or
  - (v) we suspect that there is a breach of any of the conditions set out in this Guide, there is unsatisfactory conduct by you, if you fail to provide required information and documentation as requested within a stipulated time period, or if we consider that we need to close your account for any other reason in order to manage appropriately any risks to which we are exposed (including the risk of damage to our reputation).
- (b) Where Vanguard terminates your IDPS Contract, the process set out in clause 9(b) will apply. If we are unable to deliver, transfer or pay an asset in accordance with your instruction or otherwise obtain instructions from you for the delivery, payment or transfer of an asset, you authorise and instruct Vanguard, at its discretion, to redeem any assets held in your Vanguard Personal Investor Account

and pay the proceeds to your linked Australian bank account. Vanguard is not liable for any loss, cost or expense that may arise, or that you may incur, in connection with any action taken under this clause.

## 9. Closing your account

- (a) You may close your Vanguard Personal Investor Account or Vanguard Personal Investor Kids Account (as the case may be) at any time by giving notice to us.
- (b) On closure of your Vanguard Personal Investor Account or Vanguard Personal Investor Kids Account, we will sell or transfer your assets out of your Vanguard Personal Investor Account or Vanguard Personal Investor Kids Account on the following basis:
- (i) All pending transactions will be settled.
  - (ii) We will transfer your assets in accordance with your instructions, provided the receiving asset register will accept the transferee as owner of the asset. If an asset cannot be transferred to you personally you will need to identify a transferee that is eligible to hold the asset (for example, another IDPS operator).
  - (iii) Once the assets have been sold or transferred, and any outstanding amounts, proceeds from corporate actions or other income payable to you has been received, we will pay the remaining balance of your Vanguard Cash Account (minus any outstanding fees) to your linked bank account, then close your Vanguard Personal Investor Account or Vanguard Personal Investor Kids Account (as the case may be).
  - (iv) After the full closure of your Vanguard Personal Investor Account or Vanguard Personal Investor Kids Account (as the case may be) you will still be able to access past statements, your transaction history and tax information online. If you are unable to access these online, please contact us.
  - (v) We will not charge a fee to close your Vanguard Personal Investor Account or Vanguard Personal Investor Kids Account, however you will be liable for any outstanding fees, charges or taxes payable in respect to the investments



that were held in your Vanguard Personal Investor Account or Vanguard Personal Investor Kids Account (as the case may be). You may incur brokerage or other trading costs where assets are sold as part of the account closure process.

#### **10. Transferring managed fund holdings in Vanguard Personal Investor Kids Account**

- (a) The ownership of the Vanguard Personal Investor Kids Account and any holdings in it will not automatically vest to the child named on the account once that child attains the age of 18 years.
- (b) Once the child named on the Vanguard Personal Investor Kids Account attains the age of 18 years or older, you may transfer holdings from the Vanguard Personal Investor Kids Account to the former child, subject to the former child opening a Vanguard Personal Investor Account in their own name and satisfying the eligibility criteria.

#### **11. What we are responsible for**

- (a) We will perform our obligations as set out in your IDPS contract.
- (b) We will maintain adequate measures to ensure we are able to perform our obligations.
- (c) We will not use information obtained via your Vanguard Personal Investor Account or Vanguard Personal Investor Kids Account to gain improper advantage.
- (d) We will provide to you on request a copy of all communications required by law to be provided to you.
- (e) We will provide you with access to all necessary disclosure documents in relation to your Vanguard Personal Investor Account or Vanguard Personal Investor Kids Account (as the case may be) and their underlying investments.
- (f) We will ensure we maintain accurate records of the investments in your Vanguard Personal Investor Account or Vanguard Personal Investor Kids Account (as the case may be), of how transactions have been authorised and by whom.

#### **12. What we are not responsible for**

- (a) We are not responsible for:
  - (i) the accuracy of any information you provide to us or to another party;

- (ii) any consequence to you of us acting on your instructions in accordance with these Terms and Conditions; or
- (iii) the performance of your investments acquired in Vanguard Personal Investor.

- (b) We do not make any implied recommendations that any investments available on the Investment Menu may be suitable for you.
- (c) We are not liable for any losses to you where we act in good faith and without negligence, default, fraud, dishonesty or where we act in compliance with a regulatory direction or court order with respect to your funds.
- (d) We are entitled to be indemnified from assets we hold on behalf of you for any liability incurred by us in properly performing or exercising any of our powers or duties in relation to your account.

#### **13. How we will communicate with you**

- (a) We will make available to you electronically any relevant notice or information we are required to give you under your IDPS Contract or under the law, subject to clause 13(e) of these Terms and Conditions.
- (b) We will make available to you electronically the following reports, or other reports as required or permitted by law, subject to clause 13(e) of these Terms and Conditions:
  - (i) transaction history;
  - (ii) annual investor statements;
  - (iii) quarterly investor reports, subject to clause 13(d);
  - (iv) online access to information about your Vanguard Personal Investor Account or Vanguard Personal Investor Kids Account, as required by law; and
  - (v) annual tax reports.
- (c) The electronic mechanism is Vanguard Online. The terms and conditions of use for Vanguard Online will apply. We will notify you by an agreed mechanism when a notice, information or report, referred to in clause 13(a) and clause 13(b) respectively of these Terms and Conditions, is available to access in Vanguard Online.
- (d) As permitted by law, you agree to obtain information concerning your transactions and holdings through Vanguard Online,

instead of receiving quarterly investor statements. We are responsible for ensuring that all information concerning your transactions and holdings, which is required to be available electronically to an IDPS client who agrees not to receive a quarterly investor statement, is available through Vanguard Online.

- (e) At your request we will send to you, by post, the notices and information and the reports, referred to in clause 13(a) and clause 13(b) respectively of these Terms and Conditions. We will implement a request not later than five business days after you lodge the request (by secure message through Vanguard Online or by phone).

#### **14. Fees, costs, charges and expenses**

- (a) You are responsible for any applicable fees, costs, charges and expenses in relation to your account and investments held in your Vanguard Personal Investor Account or Vanguard Personal Investor Kids Account (as the case may be).
- (b) If we consider it necessary or desirable, we may:
  - (i) pay the fees, costs, charges and expenses from your Vanguard Cash Account;
  - (ii) set off the fees, costs, charges and expenses against any amounts payable by Vanguard to you;
  - (iii) suspend your use of Vanguard Personal Investor for such time as the fees, costs, charges and expenses remain unpaid; or
  - (iv) sell down any of your assets to meet any the fees, costs, charges and expenses.

#### **15. Custody terms**

##### **15.1 Custody services**

We agree to perform the following custody services for you, as Custodian:

- (a) take custody of the assets invested under your Vanguard Personal Investor Account or Vanguard Personal Investor Kids Account (**Client Assets**), and title documents of the Client Assets, and hold them as trustee for you, or engage the Sub-Custodian to take custody of your Client Assets, and title documents of the Client Assets, and hold them for us as custodian for you;

- (b) arrange for the Client Assets to be held as bare trustee in our name or the name of the Sub-Custodian or in the name of an agent or sub-sub-custodian or a Clearing House, and for this purpose Vanguard and the Sub-Custodian may pool the Client Assets in an omnibus account with assets of other persons, and we must keep records in a way that enables the Client Assets to be identified;
- (c) credit all income and other payments due in respect of Client Assets to the relevant bank account of Vanguard or the Sub-Custodian, and keep records in a way that enables the income and other payments attributable to Client Assets to be identified;
- (d) where necessary or desirable prepare, complete, execute, lodge or file on your behalf in your name, any declarations, affidavits, certificates, statements, transfers or other documents which may be necessary from time to time in the exercise of our duties and obligations under these Custody Terms, or arrange for the Sub-Custodian to do so;
- (e) upon request by you, make reasonable efforts to recover income or payments; and
- (f) keep and maintain records of:
  - (i) the Client Assets held under your Vanguard Personal Investor Account;
  - (ii) all income received in relation to the Client Assets;
  - (iii) any acquisition or disposal of Client Assets, and the amount paid or received for each acquisition or disposal; and
  - (iv) all transactions in Vanguard's or the Sub-Custodian's bank accounts applicable to your Vanguard Personal Investor Account.

##### **15.2 Acknowledgement of custody arrangements**

- (a) We will acknowledge to you, on request, the way Vanguard may hold Client Assets and the arrangements for the appointment of the Sub-Custodian or another person to hold Client Assets.
- (b) You acknowledge that, under the terms of the appointment, Vanguard may, or the Sub-Custodian with Vanguard's consent may:

- (i) appoint and use the services of any other person (including a related party of Vanguard or the Sub-Custodian) as an agent or sub-sub-custodian; and
  - (ii) use any Clearing House.
- (c) We will give you written notice of appointments referred to in clause 15.2(b) of these Terms and Conditions that apply in respect of the Client Assets.

### 15.3 Instructions

You may instruct us in relation to the Client Assets in the manner provided for clause 4 of these Terms and Conditions.

### 15.4 Liability

- (a) Except as set out in clause 15.4(b) of these Terms and Conditions, Vanguard is liable to you if there is a loss to Client Assets due to a failure by Vanguard or the Sub-Custodian or any other person Vanguard has directly or indirectly engaged to hold Client Assets, to comply with Vanguard's duties under this clause 15 or to observe reasonable standards generally applied by providers of custodial or depository services for holding the Client Asset held.
- (b) Vanguard is not liable for a loss to Client Assets resulting from a failure of the Sub-Custodian or any other person Vanguard has directly or indirectly engaged to hold Client Assets if that person is insolvent and Vanguard took reasonable care in engaging that person and monitoring that person's compliance.

### 15.5 Security interests, mortgages, liens or other encumbrances

Vanguard will not take or grant a charge, mortgage, lien or other encumbrance (**Security Interest**) over, or in relation to, Client Assets (other than as arises by lien in the ordinary course of business or by statutory charge) except:

- (a) in accordance with your written instructions; or
- (b) for expenses and outlays properly incurred in providing services under your IDPS Contract, including in connection with the investment and management of the Client Assets or the acquisition, disposal or maintenance of any Client Assets, but Vanguard may not take a Security Interest for any unpaid fees.

### 15.6 Record keeping and reporting

- (a) Vanguard will make available to you on request:
- (i) the records referred to in clause 15.1(f) of these Terms and Conditions;
  - (ii) the verification procedures for the reconciliation and checking of the Client Assets; and
  - (iii) details of how, by whom and when transactions in respect of Client Assets were authorised.
- (b) verification, reconciliation and other checking procedures will be conducted by Vanguard, the administrator and the Sub-Custodian. At the date of this Guide, reconciliations are conducted:
- (i) for cash balances, daily;
  - (ii) for listed direct shares and ETFs, daily; and
  - (iii) for managed funds, monthly.
- (c) Vanguard will report to you on the Client Assets as provided in clause 13(b) of these Terms and Conditions.

### 15.7 Identity of Sub-Custodian and agents

- (a) Vanguard will give you written notice, including contact details, of a new Sub-Custodian or other agent that will hold Client Assets:
- (i) where practicable before appointing the new Sub-Custodian or other agent;
  - (ii) in any event before Client Assets are transferred to the new Sub-Custodian or other agent,
- except where clause 15.7(b) of these Terms and Conditions applies.
- (b) Vanguard may give written notice to you after Client Assets are transferred to a new Sub-Custodian or other agent, where in Vanguard's opinion the appointment must be made before it is practicable to give the notice required under clause 15.7(a) of these Terms and Conditions, in order to preserve or safeguard Client Assets or any Client Asset, or assets of Vanguard's clients generally or a group of them.

### 15.8 Definitions

In clause 15, the following terms have the following meanings:



**Clearing House** means a person who provides facilities for the transfer, clearing or settlement of either securities or futures contracts, in the ordinary course of trading in securities or futures contracts.

**Sub-Custodian** means:

- (a) at the date of your IDPS Contract, JP Morgan Chase, N.A. (Sydney Branch) ABN 43 074 112 011; or
- (b) such other body corporate as Vanguard may appoint from time to time to be the sub-custodian of any Client Assets.

## 16. Termination

On termination of your IDPS Contract, the Client Assets must be transferred to you or as you lawfully direct by instructions in accordance with clause 4 of these Terms and Conditions. The obligations of Vanguard and you when your IDPS Contract is terminated are as set out in clause 8 of these Terms and Conditions.

## 17. Business continuity planning

- (a) Vanguard will always have and maintain a documented business continuity plan (**Business Continuity Plan**) in respect of the custody services, which is reasonable for the nature, scale and complexity of the business, to enable Vanguard to provide the custody services in any contingency for which Vanguard could reasonably plan.
- (b) The Business Continuity Plan must:
  - (i) specify how Vanguard will respond to problems or events (whether occurring internally or externally) which may cause destruction or loss of data, equipment, software, facilities, materials or assets or any interruption or disruption of the custody, so that there is no or minimal disruption to the custody services;
  - (ii) specify how Vanguard will test the measures set out in the Business Continuity Plan; and
  - (iii) specify the backup procedures of Vanguard (including the procedures relating to both software and data).

## 18. Confidentiality of Client Asset information

- (a) Vanguard will not disclose confidential information about your Client Assets to any other person except:
  - (i) disclosure to related parties, agents, service providers and advisers, in the course of providing financial and advisory services to you or that assist Vanguard in conducting our business;
  - (ii) where the law requires or permits us to disclose that information (for example, we may disclose information to government organisations such as the Australian Securities and Investments Commission) or to a party that may be acquiring an interest in Vanguard's business; or
  - (iii) with your consent.
- (b) If you are an individual or individuals, confidential information about your Client Assets is also treated as your personal information and is held by Vanguard in accordance with Vanguard's privacy policy available at [vanguard.com.au/personal](http://vanguard.com.au/personal).

## 19. Varying your IDPS Contract

- (a) Vanguard may, by issuing new or amended Terms and Conditions and notifying you:
  - (i) vary, suspend or terminate services that we provide under Vanguard Personal Investor; or
  - (ii) otherwise vary any provision of these Terms and Conditions.
- (b) If any variation is adverse to you we will give you at least 30 days prior notice.

# Addressing your concerns

## Complaint about the operation of this IDPS

If you have a complaint relating to the operation of this IDPS and any accessible Vanguard financial products held through the IDPS, please contact us so that we can work together towards a resolution.

Email: [clientservices@vanguard.com.au](mailto:clientservices@vanguard.com.au)  
Phone: 1300 655 101 (8:00am to 6:00pm AET, Monday to Friday)  
Online: Vanguard Online secure message  
Mail: Vanguard Investments Australia  
GPO Box 1837  
Melbourne VIC 3001

If you have any complaint relating to the financial advice you received, please contact your financial adviser.

Our Complaints Handling Policy is available on our website and in hard copy upon request.

We aim to resolve your complaint as quickly as possible. For most standard complaints, we will provide you with a written internal dispute resolution response within 30 calendar days after receiving your complaint. Complex complaints may have a different maximum timeframe for responding. We will notify you if a different timeframe applies to your complaint.

If you are not satisfied with the outcome of your complaint, you have the right to refer the matter to an external dispute resolution process – the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services complaint resolution that is free to consumers. You can make a Complaint to AFCA online, by letter, email or by phone.

It is important to note that time limits apply to some types of complaints lodged with the AFCA.

## Australian Financial Complaints Authority

Website: [www.afca.org.au](http://www.afca.org.au)  
Email: [info@afca.org.au](mailto:info@afca.org.au)  
Telephone: 1800 931 678 (free call)  
Mail: Australian Financial  
Complaints Authority  
GPO Box 3  
Melbourne VIC 3001

## Complaint about a specific financial product held through the IDPS

If you have a complaint about any of the specific financial products held through this IDPS, please refer to the specific product disclosure statement for that financial product (which we can provide to you free of charge upon request) for the details regarding how best to make your complaint.

## Complaint about any financial advice received in relation to investing in this IDPS

If you did receive financial advice from licensed financial adviser regarding investing in this IDPS, please contact your financial adviser to determine how to best to make a complaint.

# How to open a Vanguard Personal Investor Account

In order to make an informed investment decision, it is important you read the:

- *Vanguard Personal Investor – Investor Guide* (this document)
- *Vanguard Personal Investor Guide Part B – Investor Guide for Personal investor Kids Account* (if applying).

You should also read the PDS or other disclosure document relating to each investment you wish to purchase through Vanguard Personal Investor. For managed funds and ETFs, these are available on our website at [vanguard.com.au/personal](https://vanguard.com.au/personal).

A copy of the Target Market Determinations (TMD) for Vanguard's financial products can be obtained at [vanguard.com.au](https://vanguard.com.au) free of charge and include a description of who the financial product is appropriate for. You should refer to the TMD of the product before making any investment decisions.

Once you have read these documents you can apply to open a Vanguard Personal Investor Account online at [vanguard.com.au/personal](https://vanguard.com.au/personal).

For queries relating to Vanguard issued investments, please call 1300 655 101.

For queries relating to direct shares, please contact the issuing company directly.

# Glossary

In this Guide the following terms have the following meanings, unless the context otherwise provides:

**Account (Vanguard Personal Investor Account or Vanguard Personal Investor Kids Account):** your Vanguard Personal Investor Account or to your Vanguard Personal Investor Kids Account (as the case may be).

**AFS Licence:** Australian financial services licence

**AML/CTF:** Anti-Money Laundering and Counter-Terrorism Financing

**Application:** the application you initiate to open a Vanguard Personal Investor Account

**ASX:** Australian Securities Exchange

**bank account:** an account with an authorised Australian approved deposit-taking institution

**Cash Account:** your Vanguard Cash Account

**Company Officer:** directors and company secretary of the relevant company

**direct shares:** securities listed on an exchange, for example securities listed on the ASX that can be traded individually by you

**disclosure documents:** a Product Disclosure Statement, this Guide, and other disclosure material in relation to investment products

**ETF:** Exchange Traded Fund

**Guide:** this IDPS guide, comprising *Vanguard Personal Investor – Investor Guide* including Terms and Conditions and *Vanguard Personal Investor Guide Part B – Investor Guide for Vanguard Personal Investor Kids Accounts*

**IDPS:** Investor Directed Portfolio Service

**IDPS Contract:** the terms of the contract between you and Vanguard, which are set out in the online account application form; and the Terms and Conditions set out in this document.

**listed securities:** securities listed on an exchange, for example securities listed on the ASX

**PDS:** Product Disclosure Statement

**Sanctions:** Sanctions impose restrictions on activities that relate to particular countries,

themes of conduct, goods and services, or persons and entities in as in accordance with the laws administered by the Australian Sanctions Office

**secure message:** the messaging service functionality within Vanguard Online.

**security or securities:** financial products such as managed funds, ETFs or direct shares

**shares:** all approved Financial Products as defined in the ASX Settlement Operating Rules

**SMSF:** self-managed super fund

**trade instruction:** an instruction, generally either a buy, sell or transfer instruction you give to Vanguard in relation to your investments, or one given by an authorised representative

**Vanguard, we, us and our:** Vanguard Investments Australia Ltd, the operator of Vanguard Personal Investor

**Vanguard Cash Account:** the cash account you hold as part of your Vanguard Personal Investor Account

**Vanguard Group, Inc.:** the global Vanguard Group, based in Malvern, Pennsylvania, USA

**Vanguard Online:** our secure web-based portal used to access information and transact on your Vanguard Personal Investor Account

**Vanguard Personal Investor:** the IDPS service this Guide relates to (including the IDPS service related to the Vanguard Personal Investor Kids Account)

**Vanguard Personal Investor Kids Account:** an account opened and operated by an adult(s) for the benefit of a child and as further described in Part B of this Guide

**Vanguard Australia mobile app or mobile app:** the Vanguard Personal Investor mobile app that can be used for most types of trades, and to view a snapshot of your account valuation, investment holdings and to access statements

**Website:** Vanguard's website, [vanguard.com.au/personal](https://vanguard.com.au/personal)

**you, your:** the applicant for an account or the holder of an account, or both, as the case may be

# Contact us

**Registered office:**

Level 13  
130 Lonsdale Street  
Melbourne VIC 3000

**Postal address:**

Vanguard Personal Investor  
GPO Box 1837  
Melbourne VIC 3001

**Other:**

Online: Vanguard Online  
secure message

Phone: 1300 655 101

Website: [vanguard.com.au/  
personal](https://vanguard.com.au/personal)

## Vanguard®

Vanguard Investments Australia Ltd (ABN 72 072 881 086 / AFS Licence 227263) is the product issuer and the Operator of Vanguard Personal Investor. We have not taken yours or your clients' objectives, financial situation or needs into account when preparing this Guide, so it may not be applicable to the particular situation you are considering. You should consider yours and your clients' objectives, financial situation or needs, and the Product Disclosure Statements ("PDS") and this Investor Guide, before making any investment decision or recommendation. A copy of the Target Market Determinations (TMDs) for Vanguard's financial products can be obtained at [vanguard.com.au](https://vanguard.com.au) free of charge and include a description of who the financial product is appropriate for. You should refer to the TMD of Vanguard Personal Investor before making any investment decisions. You can access our disclosure documents at [vanguard.com.au](https://vanguard.com.au) or by calling 1300 655 205. Past performance information is given for illustrative purposes only and should not be relied upon as, and is not, an indication of future performance. This Guide was prepared in good faith and we accept no liability for any errors or omissions.

## Voting Policy – Vanguard Personal Investor (IDPS)

Effective: 15 September 2023

### 1. Purpose of this document

This Policy is issued by Vanguard Investments Australia Ltd ABN 72 072 881 086 AFSL 227263 ('Vanguard') in its capacity as IDPS operator of the Vanguard Personal Investor ('IDPS Operator').

This Policy has been written to meet the requirements outlined in paragraph 39 of the Class Order.

This Policy applies in relation to the exercise of voting rights arising from Accessible Investments held by a Client through the VPI. This Policy sets out the IDPS Operator's approach to voting in respect of Accessible Investments, including the Vanguard Products.

The Policy is available on the IDPS Operator's website or a printed copy is available free of charge from our Client Services team by calling 1300 655 101.

The IDPS Operator may review and update this Policy as required.

The information in this document is general information only and is not a recommendation to invest in or to take action in respect of any financial product. This document does not take into account a client's objectives, financial situation or needs and, before acting on this information, clients should consider whether it is appropriate to their situation. This document does not alter or amend the rights of Vanguard in its capacity as responsible entity of the Vanguard Products under the relevant constitutional documents of the Vanguard Products.

### 2. Voting Rights

Clients do not have direct rights to vote on the Accessible Investments held via the VPI as they are not the registered legal owner of the Accessible Investments. These voting rights are held by:

Security type	Custodian
Vanguard Managed Funds	Vanguard
Vanguard ETFs	JP Morgan Chase Bank N.A. (Sydney branch) (ABN 43 074 112 011) ("Sub-Custodian")
ASX Shares	Sub-Custodian

The IDPS Operator, Vanguard in its capacity as custodian of the Vanguard Managed Funds or the Sub-Custodian (acting on the IDPS Operator's direction) will not exercise voting rights other than in accordance with this Policy.

### 3. Voting Policy

The IDPS Operator will not exercise voting rights or appoint another person to exercise voting rights on its behalf, other than at the direction of a Client and in accordance with this Policy.

#### 3.1. Vanguard Products

If Voting Information is issued in respect of a Vanguard Product, the IDPS Operator will carry out the following steps to facilitate indirect voting rights access to Clients that hold the relevant Vanguard Product in their VPI account:

- When the IDPS Operator receives Voting Information, it will as soon as reasonably practicable, notify all Clients that hold the relevant Vanguard Products in their VPI account and include in the notification a copy or link to the Voting Information. Notification will be provided electronically via email.
- The IDPS Operator will provide instructions in the notification of how a Client may make a valid voting direction instruction to the IDPS Operator, which can include a direction to appoint a proxy (which may be the Client themselves) and a direction as to how to vote, each in respect of the number of interests beneficially held by the Client in respect of the relevant Vanguard Products.
- The instructions will specify a cut-off date for the receipt of voting direction instructions to ensure there is sufficient time for instructions to be collated ahead of the proxy voting deadline and meeting date.
- The IDPS Operator may appoint a third party to administer the collection and collation of Client voting direction instructions.
- If the IDPS Operator receives a valid voting direction, it must exercise its voting rights (including instructing the Sub-Custodian, where relevant) in accordance with the client direction in respect of the number of interests beneficially held by the Client in respect of the relevant Vanguard Products.
- The IDPS Operator does not accept any liability for acting in accordance with voting direction instructions from Clients.
- No fee will be charged to Clients who exercise voting rights in respect of Vanguard Products in their VPI account.

In addition, a Client (or group of Clients) may instruct Vanguard in its capacity as a member of a Vanguard Product to exercise a right under the Corporations Act (and, if applicable, the constitutional documents of a Vanguard Product) to requisition a meeting of scheme members to vote on a resolution. If a Client instructs Vanguard to requisition a meeting of scheme members, or notifies Vanguard of its intention to do so, Vanguard will as soon as reasonably practicable:

- provide the Client with the constitutional documents of the relevant Vanguard Product;
- request the Client confirm the objects of the meeting; and
- upon receipt of any information or requisitions in respect of the meeting of members, provide such information or requisitions to the Client, and act in accordance with any valid Client instructions in respect of such information or requisitions upon receipt.

Vanguard in its capacity as a member of the relevant Vanguard Product will only act in accordance with meeting requisition instructions to the extent that that such instructions are:

- in accordance with the Corporations Act and the constitutional documents of the Vanguard Product;
- not contrary to any law and will not result in a breach of any law; and
- the interests beneficially held by the Client(s) in respect of the relevant Vanguard Product meet the threshold requirements under the Corporations Act (and, if applicable, the constitutional documents of the Vanguard Product),

each as determined by Vanguard, acting reasonably. Vanguard does not accept any liability for acting in accordance with meeting requisition instructions from Clients. No fee will be charged to Clients who exercise meeting requisition rights in respect of Vanguard Products in their VPI account.



### 3.2. ASX Listed Shares and Non-Vanguard Products (if applicable)

Other than in exceptional circumstances, the IDPS Operator will not accept any instruction from a client in relation to the exercise of any voting rights for investments in ASX Listed Shares and other Non-Vanguard Products held in their VPI account. The IDPS Operator will not proactively notify clients of any impending meetings or resolutions in relation to ASX Listed Shares and other Non-Vanguard Products.

Solely at the IDPS Operator's discretion, it may seek clients' instructions to vote on a particular matter relating to an investment held in ASX Listed Shares and Non-Vanguard Products within their VPI account. The IDPS Operator will only vote in accordance with the client's instructions and no fee will be charged to Clients who exercise voting rights in respect of ASX Listed Shares and other Non-Vanguard Products. In such circumstances, the IDPS Operator will follow the same process as set out for the Vanguard Products in section 3.1 of this Policy.

### 4. Questions

If you have any questions in respect of this Policy or you need further information, please contact our Client Services team by calling 1300 655 101.

### 5. Definitions

In this document:

**Accessible Investment(s)** has the meaning given in the Class Order and includes the Vanguard Products, the ASX Listed Shares and the Non-Vanguard Products.

**AFSL** means Australian Financial Services Licence.

**ASIC** means the Australian Securities and Investments Commission.

**ASX Listed Shares** means any listed security on the ASX that is available through VPI.

**Class Order** means ASIC Class Order [CO 13/763], as amended from time to time.

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

**IDPS** has the meaning given in the Class Order.

**Client** means an investor in the VPI or their appointed agent, attorney or adviser, who is acting on their behalf.

**IDPS Operator** means Vanguard Investments Australia Ltd ABN 72 072 881 086 AFSL 227263 in its capacity as IDPS operator of the VPI.

**Non-Vanguard Product(s)** means any Accessible Investment which Vanguard does not manage or is not the responsible entity or product issuer, including ASX Listed Shares.

**Policy** means this voting policy, as amended from time to time.

**Sub-Custodian** has the meaning given in section 2 of this Policy.

**Vanguard** means Vanguard Investments Australia Ltd (ABN 72 072 881 086 AFSL 227263).

**Vanguard Managed Fund(s)** means any Accessible Investment which Vanguard manages or is the responsible entity or product issuer, excluding Vanguard ETFs.



**Vanguard ETF(s)** means any any quoted security on the ASX which Vanguard manages or is the responsible entity or product issuer.

**Vanguard Product(s)** means any Accessible Investment which is a Vanguard Managed Fund(s) or Vanguard ETF(s).

**Voting Information** means information relating to matter to be voted on by the holders of an Accessible Investment held in the VPI (including, without limitation, any notice of meeting and explanatory materials).

**VPI** means the Vanguard Personal Investor.

Vanguard® Wholesale Investor

# Opt Out Form

## For Ordinary Units in the Wholesale Fund(s) under the Proposal

Please use this form if you wish to Opt Out of participating in the transfer under the Proposal described in the Notice of Meeting and Explanatory Memorandum.

This form only applies to holdings of Ordinary Units in the Wholesale Fund(s) listed in Appendix A of the Notice of Meeting and Explanatory Memorandum. This form must be received by Vanguard no later than 7pm on 13 August 2023.

Capitalised terms used but not defined in this form have the meaning given to them in Section 6 of the Explanatory Memorandum.

Please refer to the Notice of Meeting and Explanatory Memorandum for further information about the Proposal and the Opt Out.

### 1. Account details (mandatory)

Account number	Phone number (we will call you on this number if we need additional information)																				
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Account name																					

### 2. Opt Out of participating in the transfer under the Proposal (mandatory)

I/ we wish to:

- Opt Out of participating in the transfer under the Proposal in relation to ALL my holdings of Ordinary Units in the Wholesale Fund(s) listed in Appendix A of the Notice of Meeting and Explanatory Memorandum

**OR**

- Opt Out of participating in the transfer under the Proposal in relation to my holdings of Ordinary Units in the following Wholesale Funds listed in Appendix A of the Notice of Meeting and Explanatory Memorandum

Fund Name	APIR code	Opt Out (please tick)

Attach a separate sheet if additional Wholesale Funds are required to be nominated.

### 3. Important Information

- This form is issued by Vanguard Investments Australia Limited (ABN 72 072 881 086 AFSL No 227263) (**Vanguard, we, us, our or Responsible Entity**) as responsible entity of the managed investment schemes listed in Annexure A of the Explanatory Memorandum (the **Wholesale Funds**).
- The information contained in this form and the Notice of Meeting and Explanatory Memorandum is general information only. This form and the Notice of Meeting and Explanatory Memorandum has been prepared without reference to your investment objectives, financial situation, tax position or particular needs. You should carefully consider the appropriateness of this form to you having regard to your own objectives, financial situation or needs. You may also wish to obtain independent advice, particularly about such individual matters as taxation.
- You should read the Notice of Meeting and Explanatory Memorandum in its entirety before making a decision whether to Opt Out of participating in the transfer under the Proposal.
- If you have any questions in relation to this form and/or the Notice of Meeting and Explanatory Memorandum, you can speak with a member of our team.

<b>Retail investors</b>	1300 655 101 8am – 6pm (AET), Monday to Friday	<a href="mailto:clientservices@vanguard.com.au">clientservices@vanguard.com.au</a>
<b>Financial advisers</b>	1300 655 205 8am – 6pm (AET), Monday to Friday	<a href="mailto:adviserservices@vanguard.com.au">adviserservices@vanguard.com.au</a>
<b>Institutional investors</b>	Please contact your relationship manager or email <a href="mailto:institutional@vanguard.com.au">institutional@vanguard.com.au</a> .	

### 4. Signatures (mandatory)

Each signatory below confirms that they have been duly authorised to execute this form.

#### Authorised signatory 1

Signature
Name
Date

#### Authorised signatory 2

Signature
Name
Date

### What's next?

Please submit the completed form by email to [institutional@vanguard.com.au](mailto:institutional@vanguard.com.au).

# Contact us



PHONE



EMAIL

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## Retail investors

1300 655 101  
8am – 6pm (AET)  
Monday to Friday

[clientservices@vanguard.com.au](mailto:clientservices@vanguard.com.au)

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## Financial advisers

1300 655 205  
8am – 6pm (AET)  
Monday to Friday

[adviserservices@vanguard.com.au](mailto:adviserservices@vanguard.com.au)

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## Institutional investors

Please contact your relationship manager or email  
[institutional@vanguard.com.au](mailto:institutional@vanguard.com.au)

**Vanguard**<sup>®</sup>