

## Commonwealth Investment Funds (Funds) - 2020 Fee Reductions

In October 2019, the Treasury Laws Amendment (Ending Grandfathered Conflicted Remuneration) Bill 2019 was passed into law and requires product providers to cease paying grandfathered conflicted remuneration (commissions) by 1 January 2021. Commission payments to advisers are paid from the costs to operate the product overall and are not individualised or an additional cost to unitholders.

From 1 May 2020, Colonial First State Investments Limited (CFSIL) as responsible entity of the Funds will cease commission payments and reduce the fee levels of the Funds as outlined in the table below (Management costs and Initial Service Fee).

Any Initial Service Fee payable on additional investments (certain funds) will also cease from 1 May 2020 and any deferred fees for investments made prior to 1 May 2020 will also cease. The new fees are detailed in the table below.

The reductions will be reflected in the indirect costs<sup>^</sup> used in the calculation of your fees and costs shown on your statements and published in the investment [performance reports](#).

Commonwealth Investment Funds Investment Option Name	Management costs		Initial Service Fee	
	Pre 1 May 2020 (%p.a.)	From 1 May 2020 (%p.a.)	Pre 1 May 2020 (%p.a.)	From 1 May 2020 (%p.a.)
Commonwealth Australian Share Fund	2.00%	1.60%	Up to 3%	0.00%
Commonwealth Growth Fund	2.00%	1.60%	Up to 3%	0.00%
Commonwealth Income Fund	1.50%	1.20%	-	0.00%
Commonwealth Balanced Fund	2.00%	1.60%	Up to 3%	0.00%
Commonwealth Share Income Fund	2.00%	1.60%	Up to 3%	0.00%
Commonwealth Bond Fund	1.50%	1.20%	-	0.00%
Commonwealth International Share Fund	2.00%	1.60%	Up to 3%	0.00%
Commonwealth Property Securities Fund	2.00%	1.60%	Up to 3%	0.00%

Issued by Colonial First State Investments Limited ABN 98 002 348 352 AFSL 232468

Commonwealth Financial Services is used under licence by the Colonial Mutual Life Assurance Society Limited ABN 12 004 021 809 AFSL 235035 (CMLA).

\*Management costs are the total ongoing fees and costs expressed as percentage of the total average net assets of the Trust. Management costs are reflected in the daily unit price and paid monthly or as incurred.

<sup>^</sup>Indirect costs include costs of managing your investment options and include investment, administration and custody costs for the investment managers and the responsible entities of the underlying trusts in which the Funds invest. Indirect costs include the Management costs.

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### Responsible Entity fee waiver – from 1 May 2020

In addition to the fee changes above further savings from ceasing commission payments will be passed on to all unitholders. For a limited period CFSIL will operate a fee waiver and not charge the Responsible Entity fees of the Funds which are collected daily. At the end of the fee waiver period, the management costs will be applied as per the table above. We will update this notice when the fee waiver ceases to operate with the final date.

Please note that management costs consist of the Responsible Entity fee and expense recoveries. Expense recoveries will continue during the fee waiver period.

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