Risk Disclosure Statement

Risk Disclosure

CENTRAL ACCORD PTY LTD

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Central Accord Pty Ltd

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Central Accord is a brand name for Central Accord Pty Ltd (ACN 068 486 126, ABN 93 068 486 126), the holder of Australian Financial Services Licence (AFSL) number 226405, issued and regulated by the Australian Securities and Investments Commission (ASIC).

Introduction

This Risk Disclosure Statement provides you with general information about the nature of, and the risks associated with, certain types of financial product. It does not describe all of the risks that may apply, and it does not address how those risks relate to your personal objectives, financial situation or needs. If you have any doubt about whether our products are appropriate for you, you should obtain professional advice before trading.

General advice warning. Any information in this document is general in nature only. It has been prepared without taking account of your personal objectives, financial situation or needs. Before acting on any information in this document, you should consider its appropriateness having regard to your own objectives, financial situation and needs, and you should obtain and read the relevant Product Disclosure Statement (PDS) and Target Market Determination (TMD) before making any decision about whether to acquire a financial product. You should also consider obtaining advice from a person who holds an Australian Financial Services Licence (AFSL) before making an investment decision. Where we provide personal advice, we will comply with our obligations under the Corporations Act 2001 (Cth), including the obligation to act in your best interests and to give you a Statement of Advice in accordance with section 949A of that Act.

Central Accord Pty Ltd ("Central Accord", "we", "us" or "our") provides the opportunity to invest and deal in the following products:

1. Securities — including shares, fractional shares and exchange-traded funds (ETFs), to the extent that the ETF is issued by a corporate entity.

2. Interests in managed investment schemes (excluding IDPS) — including interests in listed property or infrastructure trusts and ETFs that are structured as registered managed investment schemes under Chapter 5C of the Corporations Act 2001 (Cth).

Although our offerings may be made available to both retail and wholesale clients (as those terms are defined in sections 761G and 761GA of the Corporations Act 2001 (Cth)), you should be aware that by investing or dealing in any of the above products you are risking your capital, and you may not recover as much as you originally invested.

All words and phrases that are used but not defined in this Risk Disclosure Statement have the same meaning given to them in our Invest Terms, as applicable.

1. Risk Warnings Related to Securities (Equities)

1.1 General risk warnings

Shares represent part-ownership of a company. As such, the owner of a share participates in the performance of that company. If the company performs well, its shares are likely to rise in price; if the company performs poorly, the share price is likely to fall.

Holders of ordinary shares are the last to be paid in the event that a company becomes insolvent. Ordinary shareholders also have the potential for returns in the form of dividends or share-price appreciation, provided the company performs well and is perceived to be continuing to do so. In extreme cases, a company can become insolvent, and you may lose all the value of your investment.

Share prices are based on supply and demand, which in many cases depend on the market's perception of a company's future prospects. If market sentiment is generally pessimistic about a company and its future prospects, the share price is likely to fall; accordingly, if you sell at that point, or if the price does not recover, you will receive back less than you invested.

The value of your investments, and the level of any income from them, can fall as well as rise. You may not recover the full amount you have invested. You should also remember that past performance of shares is not an indicator of how those investments may perform in the future.

Certain investments may not be readily realisable. You may have difficulty selling these investments at a reasonable price and, in some circumstances, it may be difficult to sell them at any price.

Foreign markets involve different risks from Australian markets and, in some cases, those risks will be greater. The potential for profit or loss from transactions on foreign markets will be affected by fluctuations in foreign exchange rates.

1.2 Dividend payment not guaranteed

Some shares pay a dividend annually, semi-annually or quarterly. A dividend is an amount determined by the company's board of directors and represents a distribution of the company's profits. Established, profitable companies tend to pay dividends and may have a good record of providing a steady stream of dividend payments. However, periods of economic difficulty may interrupt such payments even for the most established companies. Younger, less established companies that are building a business tend to retain their profits for re-investment; these are often called "growth" companies because their strategy is to grow their business rapidly. Dividends are never guaranteed and may be reduced or suspended at any time.

1.3 Dealing and administrative costs

Costs and charges levied by us or by third parties will reduce any potential profit you may make, or increase the level of any loss. Before you begin to trade, you should ensure that you understand all commissions and other charges for which you will be liable.

1.4 Market gapping

Market gapping is a sudden shift in the price of an instrument, or its underlying asset, from one level to another. It can occur at any time but happens most frequently where a market closes at one level and reopens at another. This can cause unexpected losses.

1.5 Non-readily realisable investments

We may arrange or enter into transactions in non-readily realisable investments. These are investments for which the market is limited, or could become so. You may have difficulty selling such an investment at a reasonable price and, in some circumstances, it may be difficult to sell it at any price. Before you invest, you should carefully consider whether these investments are suitable for you.

1.6 Past performance

You should be aware that the price of the financial instruments in which you deal depends on fluctuations in the financial markets that are outside our control, and that past performance is not an indicator of future performance.

1.7 Dealing in securities that may be subject to stabilisation

We, and/or our representatives, may from time to time carry out transactions on your behalf in securities that are subject to stabilisation. Stabilisation enables the market price of a security to be maintained artificially during the period when a new issue of securities is sold to the public. Stabilisation may affect not only the price of the new issue but also the price of other securities relating to it.

1.8 Liquidity risk

Shares are available in companies of differing sizes, industry sectors and geographic locations, and on different stock markets. Liquidity is an important risk factor when investing in individual equities and is generally driven by the market capitalisation (the total value of issued shares) of the company and by current market conditions. Liquidity levels can change rapidly, and a lack of liquidity often restricts trading in equities with smaller market capitalisations (known as mid-cap and small-cap shares).

In certain circumstances, it may not be possible to close part or all of a position at the current price, or at all. We may, in our sole discretion, cease offering shares at any time on the basis of a lack of market data, halts or suspensions, errors, illiquidity or volatility in the relevant market, our own risk or profit parameters, technical errors, communication problems, market, political, economic or governmental events, force majeure, or for other reasons.

1.9 Information on international investments

Information on international investments is not as readily available to the Australian public as information about Australian companies, and the financial pages of the national press give little coverage of the subject. Different time zones also mean that you will not always be able to obtain a real-time price for overseas stocks during the Australian trading day. When investing in international markets, currency fluctuations need to be taken into account. A gain or loss made on the performance of a stock can readily be offset by a movement in the currency exchange rate. Liquidity considerations are similar to those for Australian shares.

1.10 Price volatility

The price of an individual share can fluctuate considerably and can appreciate or decline rapidly. Shares can also remain in decline over long periods. Share prices rise and fall according to the health of the company and general economic and market conditions. Individual share-price rises and falls can be significant. Stock-market investments tend to be more volatile than investments in most bonds.

1.11 Penny shares

Shares known as "penny shares", and shares purchased on secondary or junior markets, carry a higher degree of risk of losing money than other shares. This is because the listing requirements for companies on such markets are generally less stringent than those for companies with a full market listing. There is also usually a wider spread between the buying price and the selling price of these shares, and if they have to be sold immediately you may receive back less than you paid for them, owing to a lack of liquidity. The price of these shares may change quickly and they may fall as well as rise. It may also be difficult to obtain reliable information about their value, or about the extent of the risks to which they are exposed.

1.12 Settlement

In respect of shares, in many marketplaces settlement takes place by the counterparties simultaneously matching the shares traded against the cash being given.

1.13 Market risk

Trading in shares carries the risk of sudden market fluctuation. Prices can rise as well as fall.

1.14 Volatility risk

Markets for shares can be highly volatile. The prices of shares may fluctuate rapidly and over wide ranges. They will be influenced by, among other things, the market price; the earnings and performance of the company or companies; the performance of the economy as a whole; changing supply-and-demand relationships; indices; governmental, commercial and trade programs and policies; interest rates; national and international political and economic events; and the prevailing psychological characteristics of the relevant marketplace.

1.15 Currency risk

Where you trade a product denominated in a currency different from that in which you hold your Account, fluctuations in the exchange rate will affect your profit and loss.

When you deal in shares that are denominated in a currency other than the base currency, or the currency in which you have deposited funds in your Account, all profits and losses in relation to that share are calculated using the currency in which the share is denominated.

1.16 Regulatory and taxation changes

Changes in taxation and other laws, and in government, fiscal, monetary and regulatory policies, may have an adverse effect on the value of your shares, the tax you pay on them, and the total return on the products. The taxation treatment of investments is complex, depends on your individual circumstances and may change. You should obtain independent advice in relation to your taxation position, including from a registered tax agent or by reference to guidance issued by the Australian Taxation Office (ATO).

1.17 Risk of disruption

We rely on computer software, hardware, telecommunications infrastructure and networks to provide our services to clients, and without these systems we cannot provide those services. Computer-based systems and services such as those we use are inherently vulnerable to disruption, delay or failure, which may cause you to lose access to our trading platform, may mean we are unable to provide share quotations or trading, or may otherwise negatively affect any or all aspects of our services. Under our Invest Terms, you accept our systems and services, and our liability to you is limited.

1.18 Segregated accounts (client money)

In accordance with our obligations under Part 7.8 of the Corporations Act 2001 (Cth), the client money provisions and the ASIC Client Money Reporting Rules 2017, all client funds are held in segregated trust accounts. While we monitor the creditworthiness of our banks closely and select them on the basis of robustness and solidity, using only major international banks or Australian Authorised Deposit-taking Institutions (ADIs), this does not mean that those banks are risk-free. We can provide you with details of the banks we use on request.

2. Bonds and Other Debt Securities

A debt security is a type of financial instrument that signifies a claim against the issuer. The characteristics of fixed debt instruments vary according to factors such as the issuer, the collateral provided by the issuer, the time remaining until maturity, and the method of interest payment.

A money-market instrument involves borrowing funds for a specified period, typically no longer than six months, although occasionally up to a year. In this case, the lender obtains funds from the money markets in order to advance them to the borrower.

A bond is a form of debt security in which an investor provides funds to an entity (commonly a corporation or government) for a specified duration, with the loan accruing interest at a fixed or variable rate. Bondholders are considered creditors of the entity that issued the bond.

A discount paper is a financial instrument that does not accrue interest directly but is issued at a discount to its face value. The selling price is determined by discounting the instrument's value, including interest, to its present value. The purchase price is lower than the maturity value. Examples include certificates of deposit and treasury bills.

A state premium bond is a type of fixed-income financial instrument in which interest is distributed by lottery among the bondholders, rather than through regular interest payments.

Similar to a bond, a debenture is a contract between the debenture holder and the issuing company that sets out the amount owed to the holder. The capital raised is borrowed, which classifies debenture holders as creditors. Interest on debentures is paid at regular intervals, and the principal is repaid upon maturity in accordance with the redemption terms. The public issuance of debentures typically requires a credit rating.

Risk warnings related to bonds

Investing in bonds involves certain risks that may affect the value of your investment or its returns. This Risk Disclosure Statement aims to provide a detailed explanation of the various risks associated with bond investments. It is essential to carefully review and understand these risks before proceeding with any bond purchase. While bonds are often considered lower-risk investments compared with equities, they are not without risk. The risks include, but are not limited to, the following.

2.1 General risk

Investments in bonds, like any other financial instrument, are subject to market forces, macroeconomic conditions and changes in regulation. These factors may adversely affect the issuer's ability to meet its financial obligations, or the market value of the bond. Investors should also be aware that no investment is free from risk, and the principal invested may not always be recovered.

2.2 Interest rate risk

The value of a bond is inversely related to changes in interest rates. When interest rates rise, the market price of existing bonds decreases because newly issued bonds offer higher yields; conversely, when interest rates fall, bond prices typically increase. Long-term bonds are more sensitive to interest-rate changes than short-term bonds, because the extended maturity period increases exposure to rate fluctuations. This risk is particularly significant for fixed-rate bonds, where coupon payments remain constant regardless of changes in the market rate. Movements in the official cash rate set by the Reserve Bank of Australia (RBA) may directly influence prevailing interest rates and, in turn, bond prices.

2.3 Economic risk

Economic conditions such as inflation, GDP growth and unemployment rates significantly affect bond markets. Inflation reduces the purchasing power of fixed coupon payments, making bonds less attractive. Economic downturns can lead to higher default rates among corporate issuers, particularly those with lower credit ratings. Investors should also consider the impact of central-bank monetary policy, which directly influences interest rates and bond yields.

2.4 Liquidity risk

Liquidity risk refers to the potential difficulty of selling a bond in the secondary market at its fair value. Bonds issued by smaller entities, or those with lower credit ratings, tend to have fewer buyers and are therefore harder to trade. In illiquid markets, investors may be forced to sell bonds at a discount, incurring losses. Liquidity risk is particularly relevant for structured or complex bonds, such as subordinated or hybrid bonds.

2.5 Credit risk

Credit risk, also known as default risk, arises from the possibility that the bond issuer will fail to make timely interest or principal payments. This risk is higher for corporate bonds, particularly those with lower credit ratings (for example, "junk" bonds). Credit rating agencies provide ratings to assess an issuer's creditworthiness, but these ratings are not guarantees of financial performance.

Key consideration. Bonds with higher yields often carry higher credit risk, because the increased return compensates investors for the additional risk.

2.6 Exchange rate risk

For bonds denominated in foreign currencies, exchange-rate fluctuations can affect the returns to investors. If the value of the foreign currency declines relative to the investor's base currency, the effective return on the bond decreases. This risk is particularly relevant for investors holding emerging-market bonds, where currency volatility is typically higher.

2.7 Inflation risk

Inflation erodes the real value of fixed coupon payments over time. Bonds with fixed interest rates are particularly vulnerable to inflation risk, because the purchasing power of their payments diminishes. Inflation-linked bonds, such as Treasury Inflation-Protected Securities (TIPS), can mitigate this risk by adjusting payments based on inflation indices.

2.8 Call or prepayment risk

Certain bonds, particularly corporate bonds, may include a callable feature that allows the issuer to repay the bond before maturity. Issuers typically exercise this option when interest rates decline, enabling them to refinance at a lower cost. For investors, this can result in reinvestment risk, because they may need to reinvest the returned principal at lower prevailing rates.

2.9 Reinvestment risk

This risk arises when bondholders receive periodic coupon payments, or principal repayments before maturity, and must reinvest these proceeds at lower interest rates. Reinvestment risk is especially relevant in a declining interest-rate environment.

2.10 Sovereign risk

Government-issued bonds are generally considered low-risk; however, sovereign risk exists, particularly for bonds issued by emerging markets. Political instability, economic mismanagement or geopolitical conflict can lead to a government's inability or unwillingness to meet its debt obligations, resulting in default.

2.11 Regulatory risk

Changes in the laws or regulations governing the bond market may affect the returns on, or the valuation of, bonds. For instance, changes to tax policy affecting interest income, or new financial-market regulation, could influence bond prices and yields.

3. Risks of Managed Investment Schemes

All investments carry risk. Different strategies may carry different levels of risk, depending on the assets that make up the strategy. Assets with the highest long-term returns may also carry the highest level of short-term risk. The value of investments will vary. The level of returns will vary, and future returns may differ from past returns. Returns are not guaranteed, and investors may lose some or all of their investment. The laws affecting registered managed investment schemes (which are regulated under Chapter 5C of the Corporations Act 2001 (Cth)) may also change in the future. The appropriate level of risk for each investor will vary, depending on a range of factors including age, investment timeframe, where other parts of the investor's wealth are invested, and the investor's risk tolerance. Before investing, you should obtain and read the relevant Product Disclosure Statement (PDS) and Target Market Determination (TMD) for the scheme.

3.1 Specific investment risks

The specific investment risks of investing in the Fund include the following.

- Derivative risk. The Fund may be exposed to derivative securities. The use of derivatives exposes a fund to different risks compared with investing directly in a security. For example, derivatives can cause a fund to make greater gains, or incur greater losses, than the gains and losses of the underlying security from which the derivative derives its value. In addition, uncleared over-the-counter (OTC) derivative markets may not require the payment of margin. To the extent that the Fund has unrealised gains in such instruments, or has deposited collateral with its counterparty, the Fund is at risk that its counterparty will become bankrupt or otherwise fail to honour its obligations.
- Exclusionary screens risk. The use of exclusionary screens (including at the underlying fund level) may affect the investment performance of the Fund, and as such its performance may differ from that of similar funds that do not use such screens.
- Index-related risk. To meet its investment objective, a fund that tracks an index will seek to achieve a return that reflects the return of that index, as published by the relevant index provider. While index providers provide a description of what each index is designed to achieve, they do not generally provide any warranty or accept any liability regarding the quality, accuracy or completeness of the data in respect of their indices. They also do not guarantee that the published index will align with their described benchmark index methodologies.

Errors in the quality, accuracy and completeness of the data may occur from time to time and may not be identified and corrected for a period, particularly where an index is less commonly used. During any period in which an index contains incorrect constituents, a fund benchmarked to that index would have market exposure to those constituents. As such, errors may result in a negative or positive performance impact on the fund and its unitholders.

Apart from scheduled rebalances, index providers may rebalance indices — for example, to correct an error in the selection of index constituents. When an index is rebalanced and a fund, in turn, rebalances its portfolio to align with the index, any transaction costs and market exposure arising from that portfolio rebalancing will be borne by the fund and, by extension, by the fund's unitholders. Accordingly, errors and additional ad hoc rebalances carried out by an index provider may increase the costs and market-exposure risk of a fund.

- Fixed income security risk. The Fund may be exposed to fixed income securities. Risks associated with an investment in fixed income securities can result in significant variability in investment returns and a loss of income or capital value. These risks include:
- Credit risk. The value of a fund investing in fixed income securities is affected by the perceived or actual creditworthiness of the issuer. A perceived or actual deterioration in credit quality (for example, an issuer credit downgrade, or a credit event leading to a revised risk premium attributable to a creditworthiness downgrade) of a fixed income security will adversely affect the value of that investment.
- Interest rate risk. An increase in interest rates will cause the values of fixed income securities, particularly fixed-rate securities, to decline, which will in turn affect the returns of a fund investing in such securities. Interest-rate risk is generally lower for shorter-term fixed income investments and higher for longer-term fixed income investments.
- Income risk. A fund investing in fixed income securities may experience a decline in income when market interest rates are falling. This can occur where a fund reinvests in securities at a lower yield than the current fund portfolio yield.
- Issuer risk. Corporate issuers of fixed income securities may, willingly or unwillingly, default on their obligation to make interest or principal payments. Similarly, sovereign issuers (that is, governments of a country or an agency backed by a government) may refuse to comply with their obligations during economically difficult or politically volatile times. Such events may cause a downgrade in the credit rating of an issuer and/or its fixed income security, which in turn may cause the value of the fixed income security to fall. There is also no assurance that an issuer of fixed income securities will continue to issue such securities, or keep that particular fixed income securities market open.
- Spread risk. The prevailing rates of compensation for the creditworthiness of issuers (the spread) are affected by market factors, including sentiment, supply and demand, and general economic conditions. A change in these factors, which affects the spread, can negatively affect the yield earned by a fund investing in credit instruments.

4. Conclusion and Investor Considerations

Investors should carefully assess the risks outlined above and consider their financial goals, risk tolerance and investment horizon before purchasing any financial product. Diversification, professional advice, and an understanding of a product's features and the issuer's creditworthiness can help to mitigate these risks. For further guidance, you should consult a licensed financial adviser who holds, or is an authorised representative of the holder of, an Australian Financial Services Licence (AFSL), or refer to the additional disclosures provided by the relevant product issuer, including the Product Disclosure Statement (PDS) and Target Market Determination (TMD).

This Risk Disclosure Statement is provided for general information purposes only and does not constitute financial product advice. It is general in nature and has been prepared without taking account of your objectives, financial situation or needs. You should consider its appropriateness, and obtain independent advice, before acting on it.

5. Enquiries and Complaints

If you have an enquiry or complaint, you can contact our Complaints Officer (refer to our complaints procedure). We have established procedures for dealing with enquiries and complaints, consistent with ASIC Regulatory Guide 271 (RG 271) on internal dispute resolution. If you make a complaint to us, your complaint will be acknowledged and steps will be taken to investigate your concerns. A final response will be provided within the timeframes required by ASIC RG 271.

Central Accord is a member of the Australian Financial Complaints Authority (AFCA), an independent external dispute resolution body. If your complaint is not resolved within the timeframe required under ASIC RG 271, or you are not satisfied with our response, you may refer your complaint to AFCA. AFCA provides fair and independent financial-services complaint resolution that is free to consumers.

AFCA can be contacted by:

- Telephone: 1800 931 678 (free call)
- Mail: Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001
- Email: info@afca.org.au
- Website: www.afca.org.au

6. Regulatory Framework

Central Accord Pty Ltd (ACN 068 486 126, ABN 93 068 486 126) holds Australian Financial Services Licence (AFSL) number 226405 and is authorised and regulated by the Australian Securities and Investments Commission (ASIC). Our financial services are provided in accordance with the Corporations Act 2001 (Cth) and the conditions of our AFSL.

The following key legal and regulatory obligations apply to the financial services we provide.

6.1 Licensing and conduct

We provide financial services under, and in accordance with, our AFSL and the Corporations Act 2001 (Cth). We are subject to ASIC's supervision and to the general obligations imposed on AFSL holders, including the obligation to provide our financial services efficiently, honestly and fairly.

6.2 Disclosure obligations

Where we deal in financial products, the relevant product issuer is generally required to prepare a Product Disclosure Statement (PDS) under Part 7.9 of the Corporations Act 2001 (Cth) and, under the design and distribution obligations (DDO) in Part 7.8A of that Act, a Target Market Determination (TMD). You should obtain and read the relevant PDS and TMD before making any decision to acquire a financial product, and you should consider whether the product is consistent with the target market described in the TMD.

6.3 Advice and the general advice warning

Unless we expressly state otherwise in writing, any information we provide is general advice only and does not take account of your personal objectives, financial situation or needs. Where we provide personal advice to a retail client, we will comply with the relevant obligations under Part 7.7 and Part 7.7A of the Corporations Act 2001 (Cth), including the best interests duty and the requirement to give a Statement of Advice in accordance with section 949A. The definitions of "retail client" and "wholesale client" are set out in sections 761G and 761GA of that Act.

6.4 Client money

We hold client money in accordance with the client money provisions in Part 7.8 of the Corporations Act 2001 (Cth) and the ASIC Client Money Reporting Rules 2017. Client funds are held in segregated trust accounts with major international banks or Australian Authorised Deposit-taking Institutions (ADIs).

6.5 Market conduct and prohibited conduct

We are subject to the market misconduct and consumer-protection provisions of the Corporations Act 2001 (Cth), including the prohibitions on misleading or deceptive conduct and on the hawking of financial products in section 992A. Registered managed investment schemes in which we deal are regulated under Chapter 5C of that Act.

6.6 Taxation

The taxation treatment of any investment depends on your individual circumstances and may change. We do not provide tax advice. You should obtain independent advice in relation to your taxation position from a registered tax agent or by reference to guidance published by the Australian Taxation Office (ATO).

6.7 Complaints and dispute resolution

We maintain internal dispute resolution procedures consistent with ASIC Regulatory Guide 271 (RG 271) and are a member of the Australian Financial Complaints Authority (AFCA) for external dispute resolution, as described in Section 5 above.

This Risk Disclosure Statement is issued by Central Accord Pty Ltd (ACN 068 486 126, ABN 93 068 486 126, AFSL 226405). Version: 1.3. Effective date: 12 February 2026.

Disclosure placeholder

This document contains general information only and has been prepared without taking account of any person's objectives, financial situation or needs.