



## Attachment to 22-249MR Managed funds amend their marketing following ASIC surveillance

The table below lists the 18 funds (including their Australian Registered Scheme Number (ARSN), where appropriate) and the responsible entities or trustees that have taken action to address ASIC concerns about their marketing material and practices. These funds represent a broad cross-section of investment strategies, and include 9 registered funds and 9 unregistered funds, with approximately \$1.4 billion in assets under management.

**Table 1: Summary of responses to ASIC concerns about fund advertising and websites**

Responsible entity or trustee	Product	ASIC concerns	Actions to address ASIC's concerns
<b>AMAL Trustees Pty Limited</b> (ACN 609 737 064)	The OTG Capital Asset Backed Investment Trust	We were concerned that: <ul style="list-style-type: none"> <li>› advertising and the website presented current and future returns ambiguously</li> <li>› past returns on the website were presented with inconsistent annualisation</li> <li>› warnings on the website were not sufficiently clear, prominent or close to the claim they were about.</li> </ul>	In consultation with the trustee, the investment manager withdrew the advertisements pending a review to address all concerns. The investment manager made changes to the website to address all concerns.
<b>Australian Secure Capital Fund Ltd</b> (ACN 613 497 635)	ASCF Premium Capital Fund (ARSN 637 973 409)  ASCF Select Income Fund (ARSN 616 367 410)  ASCF High Yield Fund (ARSN 6161 367 330)	We were concerned that advertising: <ul style="list-style-type: none"> <li>› presented target returns without warnings in some media, while in others, warnings were not prominent enough</li> <li>› used 'up to' about a specific return without being clear that the return applied to only one of several funds.</li> </ul>	The responsible entity withdrew the advertising, and updated its advertising templates to enhance warnings.
<b>Balmain Fund Administration Ltd</b> (ACN 134 526 604)	The Balmain Discrete Mortgage Income Trust (ARSN 155 909 176)	We were concerned that advertising presented past and target returns without warnings.	The responsible entity withdrew the advertising and committed to including warnings in future advertising.

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<b>BetaShares Capital Ltd</b> (ACN 139 566 868)	BetaShares Australian Quality ETF (ARSN 643 692 531)	We were concerned that advertising of past returns was ambiguous by not clearly differentiating the returns of the fund and the returns of the index that the fund intends to track.	The responsible entity committed to enhancing warnings to disclose the nature of the past performance more prominently.
<b>Boutique Capital Pty Ltd</b> (ACN 621 697 621)	Wealthlander Diversified Alternative Fund	We were concerned that: <ul style="list-style-type: none"> <li>&gt; advertising presented past and target returns without warnings</li> <li>&gt; the website presented past and target returns without sufficiently prominent warnings</li> <li>&gt; the Reserve Bank of Australia (RBA) cash rate target was used as a performance benchmark which appeared to be inconsistent with the fund's assets and strategy.</li> </ul>	The trustee committed to adding prominent warnings to website and advertisements and agreed not to use the RBA cash rate as a performance benchmark. The trustee will also review advertising across all its funds.
<b>CFMG Equity and Income Funds Limited</b> (ACN 112 753 876)	CFMG First Mortgage & Income Fund (ARSN 118 670 705)  CFMG Land and Opportunity Fund (ARSN 602 610 006)	We were concerned that: <ul style="list-style-type: none"> <li>&gt; advertising compared the product to a term deposit and this appeared to be inconsistent with the fund's assets and strategy</li> <li>&gt; advertising and the website presented target returns and claims about the perceived safety of the returns without warnings about the reliability of these statements</li> <li>&gt; advertising and the website presented past returns without warnings.</li> </ul>	The responsible entity withdrew the advertising and committed to more balanced advertisements in future, including by incorporating risk information in warnings and providing assumptions underlying target returns. The responsible entity also committed to enhanced staff training and creating a banned 'key term' list for digital advertisements.
<b>Collins St Asset Management Pty Ltd</b> (ACN 601 897 974)	Collins St Value Fund	We were concerned that advertising: <ul style="list-style-type: none"> <li>&gt; Did not source or date the claim the fund was 'Best Performing'</li> <li>&gt; presented past returns without sufficiently prominent warnings.</li> </ul>	The trustee committed to only using 'Best Performing' if accompanied by an appropriate date and source for the claim, and added more prominent warnings to past returns representations.

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<b>CTSP Funds Management Pty Ltd</b> (ACN 158 001 944)	TAMIM Fund Credit	We were concerned that: <ul style="list-style-type: none"> <li>› advertising compared the product to term deposits and this appeared to be inconsistent with the fund's assets and strategy</li> <li>› warnings on the website were not sufficient to correct reliability of income and capital preservation claims, given the fund's strategy and assets.</li> </ul>	The trustee withdrew the advertising, and committed to improving warnings on the website.
<b>Perpetual Trust Services Limited</b> (ACN 000 142 049)	FirstMac High Livez (ARSN 147 322 923)	We were concerned that advertisements: <ul style="list-style-type: none"> <li>› presented past returns without warnings or with warnings that were not sufficiently prominent</li> <li>› compared fund returns to the RBA cash rate target which appeared inconsistent with the fund's assets and strategy.</li> </ul>	The responsible entity instructed the investment manager that the advertising be replaced with advertising containing additional warnings. The investment manager committed to updating its website and digital advertising with new warnings, increasing the prominence of past performance warnings, and explaining in graphs that the fund assets have higher risks than cash.
<b>Truepillars RE Ltd</b> (ACN 623 138 241)	Truepillars Investment Trust (ARSN 611 843 317)	We were concerned that advertisements: <ul style="list-style-type: none"> <li>› presented forecast returns and statements about the risk to investors' capital without warnings or balance about the fund's features</li> <li>› compared the product to a bank deposit and this appeared to be inconsistent with the fund's assets and strategy.</li> </ul>	The responsible entity withdrew the advertising and will also ensure that future advertising contains fuller risk disclaimers and that digital advertisements are displayed as intended and approved.
<b>VentureCrowd Nominees Pty Ltd</b> (ACN 166 599 140)	The Venture Crowd Trust No. 0481 (Albany Creek)  Venture Crowd Trust No. 0505	We were concerned that: <ul style="list-style-type: none"> <li>› advertisements did not adequately portray that stated returns were a target</li> <li>› warnings about risks were either not present or not prominent enough on the website.</li> </ul>	The trustee undertook to ensure returns are clearly displayed as a target, and enhancing their warnings.

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<b>VT No. 2 Pty Ltd</b> (ACN 644 230 071)	UGC Global Alpha Fund  UGC Platinum Alpha Fund	We were concerned that: <ul style="list-style-type: none"> <li>› the website included projected 15-year returns without warnings</li> <li>› representations about past returns were out of date and presented without warnings</li> <li>› comparisons were made to products and indices that were dissimilar to the fund</li> <li>› advertising presented past returns without warnings.</li> </ul>	The investment manager withdrew the advertising and other material of concern on its website, and is reviewing its marketing practises.
<b>Wentworth Williamson Management Pty Limited</b> (ACN 164 774 814)	Wentworth Williamson Stable Income Fund	We were concerned that advertising: <ul style="list-style-type: none"> <li>› presented past returns without warnings</li> <li>› compared fund returns to an unidentified term deposit and a cash benchmark, that appeared inconsistent with the fund's assets and strategy</li> <li>› included representations as to the stability of monthly distributions and the preservation of capital that appeared inconsistent with the fund's assets and strategy.</li> </ul>	The trustee withdrew the advertising and committed to update the warnings on the website.