

C2 Accumulator – Series 2

Conditional 9.2% p.a.¹ Fixed Return for each year that's passed.

C2 Accumulator – Series 2 offers investors the potential for fixed returns linked to a basket of shares.

The "Reference Basket" is comprised of a notional share in each of:

- Visa Inc; and
 - Alphabet Inc (Google); and
 - Commonwealth Bank of Australia; and
 - CSL Limited; and
 - Woodside Petroleum Limited
- (Individually, a "Share")

Investors will generate a positive return of 9.2%p.a. for each full year that's passed if an Auto-Call Event occurs (on a non-compounded, pro rata basis). An Auto Call Event occurs on an Auto Call Date when the Closing Price of ALL of the Shares are deemed to be at or above the required Auto Call Price.

The Closing Price of a Share is deemed to be at or above the required Auto Call Price if:

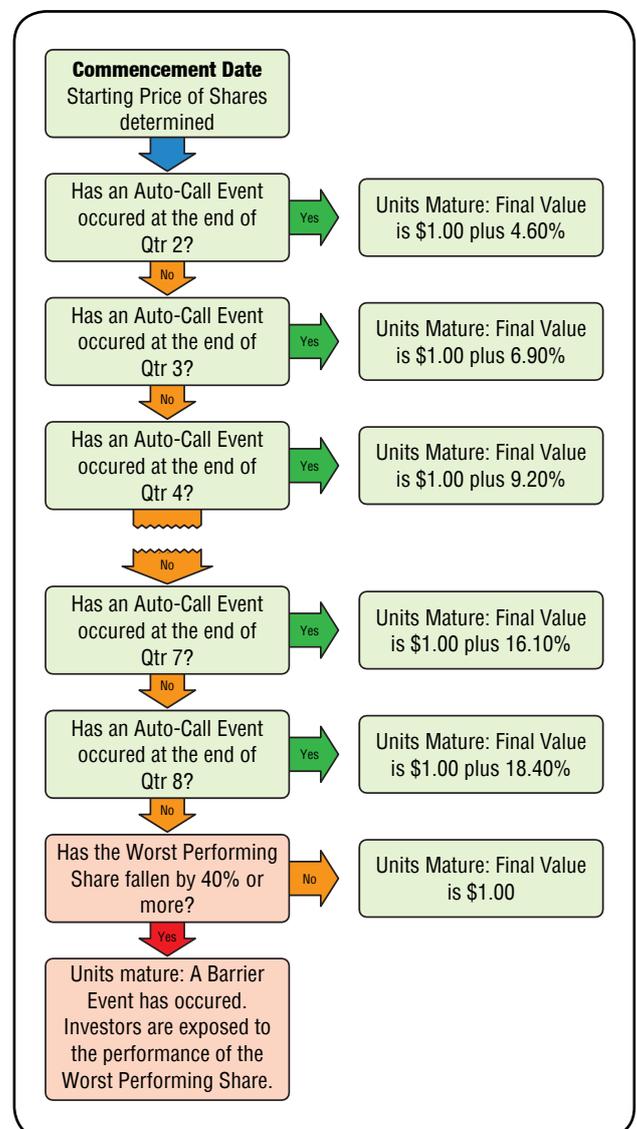
- its Closing Price is at or above the required Auto Call Price on the Auto Call Date; or
- its Closing Price was at or above the required Auto Call Price on any previous Auto Call Date.

To assist with an Auto Call Event occurring, the Series has incorporated a "Memory Auto Call Feature" that improves the likelihood of an Auto Call Event occurring. The Memory Auto Call Feature "looks back" to an earlier Auto Call Date to determine if any of the Shares have previously closed at or above its respective Auto Call Price.

Because of this Memory Auto Call Feature, an Auto Call Event will occur on an Auto Call Date if the Closing Price of ALL of the Shares are at or above the Auto Call Price on an Auto Call Date or, for any Share where the Closing Price is not above the Auto Call Price on the Auto Call Date, the Closing of Price of each relevant Share was previously at or above its respective Auto Call Price on any earlier Auto Call Date.

If the Series reaches the Maturity Date without triggering an Auto Call Event, and the Worst Performing Share is below 60% of its Starting Price (i.e. a fall of 40% or more), then Investors will be exposed to the negative performance of the Worst Performing Share in the Reference Basket (a "Barrier Event").

For more comprehensive information, please read the Term Sheet PDS dated 26 Novembre 2019.



Contact the Issuer for more information and a copy of the Term Sheet PDS and Master PDS at

<https://www.c2financialgroup.com.au/accumulatorseries2>
or 02 8098 0300

Key Risks:

- **Returns:** Investors will only benefit from the Fixed Conditional Return if an Auto-Call Event occurs. If an Auto-Call Event has not occurred, then the Conditional Return will NOT be included in the Final Value.
- **Capital invested in the Units is at risk.** There is no capital protection or guarantee of financial return in respect of your investment in the Units. The value of the Units is calculated by reference to the performance of the Shares comprising the Reference Basket. Depending on the performance of the Shares during the Investment Term, you may incur a loss of all or part of your Total Investment Amount. You may lose the entire amount you have invested in the Units. You will lose your entire Total Investment Amount if the Maturity Price of the Worst Performing Share is zero. The risk of a loss of your Total Investment Amount means that, in order to recover and realise a return upon their investment, Investors must generally be correct about the direction, timing and magnitude of an anticipated change in the value of the Shares over the Investment Term.
- **Occurrence of a Barrier Event.** At Maturity, if an Auto-Call Event did NOT occur during the Investment Term and if you are still holding your Units you will receive a Delivery Parcel the value of which is calculated by reference to the definition of Final Value in this Term Sheet PDS (or cash if the Agency Sale Facility is elected).
 - If a Barrier Event has NOT occurred and an Auto-Call Event has NOT occurred during the Investment Term, the Final Value will be equal to the Issue Price of \$1.00 per Unit.
 - If a Barrier Event has occurred at the Maturity Date and an Auto-Call Event has not occurred, then Investors will be exposed to the performance of the Worst Performing Share at Maturity. Please note there is NO capital protection in this product. Hence you may lose some or all of your Total Investment Amount if a Barrier Event occurs.
- **Performance of the Shares in the Reference Basket.** Historical performance of the Shares should not be taken as an indication of the future performance of the Shares during the Investment Term. It is impossible to determine with certainty whether the Shares will rise or fall.
- **Early Maturity:** The Units may mature early following an Early Maturity Event, including as a result of an Auto-Call Event, Adjustment Event or Market Disruption Event or if your request for an Issuer Buy-Back is accepted. The Issuer may nominate an Early Maturity Event in certain circumstances, including if its hedging arrangements are terminated early, certain corporate actions taken by an issuer of a Share, any Share being suspended from listing, or if the Issuer has to pay an additional amount as a result of a Change of Law. If the Units are subject to Early Maturity for any reason you will not be entitled to a refund of the Total Investment Amount or any Fees and the amount that the Issuer receives from the Hedge Counterparty may be significantly less than would have otherwise occurred had the Investment reached Maturity. In the case of an Auto-Call Event, the Investor will receive the Delivery Parcel at Maturity, unless an Investor elects the Agency Sale Option in the relevant annual Notice of Maturity.
- **Counterparty Risk:** Payment of the Final Value depends on the Issuer meeting its obligations and the Hedge Counterparty's ability to meet their obligations under the Hedge. Investors are subject to counterparty credit risk with respect to the Issuer and the Hedge Counterparty.
- **Other Risks:** For a comprehensive description of the risks please refer to "Key Risks" in Section 2 of the Term Sheet PDS and Section 2 "Risks" of the Master PDS.

This flyer has been prepared by the Issuer for general promotional purposes only and is not an offer to sell or solicitation to buy any financial products. This flyer does not constitute personal advice and has been prepared without taking into account your objectives, financial situation or needs. You should consider obtaining professional advice as to whether this financial product suits your objectives, financial situation or needs before investing. The Issuer may, in its discretion, extend or shorten the Offer Period for the Units without prior notice. If this happens, the Commencement Date and one or more consequential dates for the Units may vary. The Issuer may also defer the Commencement Date for the Units, in which case the Auto-Call Dates, Maturity Dates and other consequential dates for the Units may vary. If the Issuer varies the Offer Period or the Commencement Date for the Units it will inform the applicants of the change in the Investment Confirmation and at www.c2fg.com.au

Units in C2 Accumulator – Series 2 are issued by C2 Specialist Investments Pty Ltd (ACN 622 433 032) ("the Issuer") and arranged by C2 Financial Services Pty Ltd (AFSL: 502171. ACN 621 428 635) ("the Arranger") pursuant to Section 911A(2)(b) of the Corporations Act. Investments in the C2 Accumulator Series 2 can only be made after reading the Term Sheet PDS dated 26 November 2019 and the Master PDS (no Loan) dated 22 November and by completing an Application Form attached to the Term Sheet PDS and submitting it to the Issuer. A copy of the Term Sheet PDS and Master PDS can be obtained by contacting C2 Specialist Investments on 02 8098 0300, at www.c2fg.com.au or by contacting your financial adviser. You should consider the Term Sheet PDS and Master PDS before deciding whether to invest in Units in C2 Accumulator - Series 2. Capitalised terms in this flyer have the meaning given to them in Section 8 "Definitions" of the Master PDS. You should seek independent advice in relation to the tax implications of your investment.

1 Indicative pricing as at 26 November 2019. The Minimum Conditional Return Rate required for the Issuer to proceed with the issue of the Series is 8%. If the Minimum Series Return cannot be set at or above the relevant minimum level, the Issuer will not proceed with the issue of the Series. The Issuer may alter the Commencement Date for a Series, in which case the Maturity Date and other consequential dates for the Series may vary.



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