

# Plato Australian Shares Income Fund

Product Disclosure Statement dated 18 May 2015

ARSN 152 590 157 APIR WHT0039AU

Issued by: Pinnacle Fund Services Limited ABN 29 082 494 362 AFSL 238371

Section 1: About Pinnacle Fund Services Limited.....	2
Section 2: How the Plato Australian Shares Income Fund works .....	2
Section 3: Benefits of investing in the Plato Australian Shares Income Fund .....	3
Section 4: Risks of investing in a managed investment scheme.....	4
Section 5: How we invest your money .....	4
Section 6: Fees and costs .....	6
Section 7: How managed investments schemes are taxed .....	7
Section 8: How to apply .....	7
Section 9: Other information.....	8

This Product Disclosure Statement ('PDS') is a summary of significant information about the Plato Australian Shares Income Fund ('Fund'). **This PDS contains important information, including a number of references to important additional information which should be considered together with this PDS, which is marked with an '!' to help you identify it.** You can access this additional information on Plato's website at [www.plato.com.au/fundprofiles](http://www.plato.com.au/fundprofiles) or call us on 1300 010 311 to request a copy free of charge.

The information in this PDS is general information only and does not take into account your personal financial situation or needs. Before investing, you should obtain financial advice tailored to your personal circumstances.

The offer made in this PDS is available only to persons receiving this PDS within Australia and cannot be offered or sold within the US, or sold to, or for the account or benefit of, any 'US Persons' (as defined in Regulation S of the US Securities Act 1933).

## Updated information

Information in this PDS is subject to change from time to time. Information that is not materially adverse can be updated by us. Updated information can be obtained free of charge via Plato's website at [www.plato.com.au/fundprofiles](http://www.plato.com.au/fundprofiles), or by calling us on 1300 010 311.



**Plato**  
INVESTMENT MANAGEMENT

## Section 1: About Pinnacle Fund Services Limited

Pinnacle Fund Services Limited ABN 29 082 494 362 AFSL 238371 ('Responsible Entity', 'RE', 'we', 'our', 'us') is an affiliate of Pinnacle Investment Management Limited ABN 66 109 659 109 ('Pinnacle'). Pinnacle is a distribution and business support company for the development of high quality investment management businesses.

We have appointed Plato Investment Management Limited ABN 77 120 730 136 ('Plato' or 'Investment Manager') as the investment manager of the Fund.

### Plato

Plato is a boutique Australian owned, quantitative equity funds manager. Plato's employees are majority equity partners in the business with the remainder owned by Pinnacle. Plato is also the Corporate Authorised Representative (304964) of Pinnacle (AFSL 322140).

Plato's investment philosophy is that markets are less than perfectly efficient and a disciplined systematic process can take advantage of these inefficiencies, including tax based inefficiencies, to deliver higher levels of income than the market. Plato's investment process provides very attractive opportunities to generate out-performance, versus an appropriate benchmark, over the longer term.

An investment in the Fund is an investment in a unit trust, and such investments are subject to risk. The value of your investment can change with the value of the assets of the Fund. Investors should be aware that these risks may include possible delays in payment of redemption proceeds and loss of income and principal invested.

Neither the original investment in the Fund nor any particular rate of return on any money invested in the Fund is guaranteed by the Investment Manager, the Responsible Entity or any other of their respective groups.

**! You should read the important information about 'Plato' before making a decision. Go to 'Additional Information to the PDS' at [www.plato.com.au/fundprofiles](http://www.plato.com.au/fundprofiles). The material relating to 'Plato' may change between the time you read this PDS and the day when you acquire the product.**

## Section 2: How the Plato Australian Shares Income Fund works

<b>What do you invest in?</b>	Like most managed funds, the Fund is a unit trust. In exchange for your invested money, you are issued with interests in the Fund called 'units'. A unit represents an interest in the Fund. Your units are your proportionate share of the Fund and reflect the value of your investment, which will change over time as the market value of the assets of the Fund rise and fall.
<b>Unit price</b>	A unit price is calculated for each business day, which is equal to the value of the Fund's net assets including franking credits divided by the number of units in the Fund. Generally, the unit price changes daily as the market value of the Fund's assets rises or falls.
<b>Applications</b>	<p>Applications on application forms can be made daily, and must be received and accepted by 12.00pm (Sydney time) on a business day. Applications received after that time, or on a non-business day, will be treated as being received on the next business day.</p> <p>You can increase your investment in the Fund by acquiring more units. To do this, complete an additional investment form and return it as per the instructions on the form, including your payment by either direct deposit or cheque.</p> <p>You can also invest using the managed funds settlement service operated by the ASX ('mFund'). Further information on mFund and applications can be found in Section 8 'How to Apply'.</p>
<b>Minimum Investments</b>	Initial investment – \$30,000 (or as agreed with the Responsible Entity) Additional investments – \$5,000
<b>Issue price</b>	When you invest in the Fund, you will be issued units at the next issue price calculated after we accept your application. The issue price is more than the unit price as it includes a 'buy spread' of 0.20%. The 'buy spread' represents your contribution to the costs of buying underlying assets of the Fund.
<b>Withdrawals</b>	<p>You can decrease your investment in the Fund by redeeming some or all of your units. To do this, complete a redemption request form and return it as per the instructions on the form.</p> <p>The minimum amount you can withdraw is \$5,000. If your withdrawal request would result in your investment balance being less than \$5,000 we may treat your withdrawal request as being for your entire investment.</p> <p>Withdrawal requests can be made daily, and must be received by 12.00pm (Sydney time) on a business day. Withdrawal requests received after that time, or on a non-business day, will be treated as being received on the next business day.</p> <p>Your proceeds will usually be deposited to your nominated bank account within 5 business days after receipt and acceptance of your withdrawal request.</p> <p>If you are using mFund, you can withdraw units in the Fund in a similar way as you sell listed shares.</p>

Further information on mFund and redemptions can be found in Section 8 'How to Apply'.

<b>Withdrawal price</b>	<p>When you withdraw from the Fund, your units will be redeemed at the next withdrawal price calculated after we receive and accept your withdrawal request. The withdrawal price is lower than the unit price as it includes a 'sell spread' of 0.20%, which represents your contribution to the cost of selling the underlying assets of the Fund.</p> <p>The withdrawal price for each business day will be posted at <a href="http://www.plato.com.au/fundprofiles">www.plato.com.au/fundprofiles</a>.</p>
<b>Access to funds</b>	<p>Extreme market conditions can cause difficulties or delays to the Fund being able to sell its assets or requiring it to freeze withdrawals. These circumstances could result in it taking a period of time before you are able to withdraw your investment, or it taking longer than usual for you to receive your withdrawal proceeds.</p>
<b>Unit pricing policy</b>	<p>We have a policy for unit pricing discretions we use in relation to the Fund for the purpose of ASIC Class Order 05/26. Additional documents may be prepared for this purpose from time to time. This document may be revised or updated to reflect changes in the Fund Constitution or the pricing policies of the Investment Manager. The unit pricing policy and discretions exercised by the RE are available from us free of charge upon request.</p>
<b>Distributions</b>	<p>Quarterly, subject to the Fund having sufficient distributable income. Distributions will be reinvested for additional units in the Fund, unless otherwise instructed.</p> <p>We calculate the distributable income of the Fund after the end of each quarter, being 30 September, 31 December, 31 March and 30 June. In some circumstances, we may also pay distributions at other times where we consider it appropriate. For example, where we believe it is in the interests of existing investors to do so in order to protect them against the dilution of income caused by new investors entering the Fund after the receipt of significant income within a distribution period.</p> $\text{Your distribution} = \frac{\text{The Fund's distributable income}}{\text{Total number of units on issue}} \times \text{The number of units you hold}$ <p>The post-30 June distribution will include an estimated capital component distribution which will automatically be reinvested for additional units in the Fund unless otherwise instructed.</p>
<b>Indirect Investors</b>	<p>If you invest in the Fund via an investor directed portfolio service ('IDPS'), a master trust or wrap account, different terms may apply to your investment. You should read the disclosure document for that IDPS, master trust or wrap account together with this PDS prior to investing.</p>

**! You should read the important information about 'How the Fund works' before making a decision. Go to 'Additional Information to the PDS' at [www.plato.com.au/fundprofiles](http://www.plato.com.au/fundprofiles). The material relating to 'How the Fund works' may change between the time you read this PDS and the day when you acquire the product.**

## Section 3: Benefits of investing in the Plato Australian Shares Income Fund

### Significant features

The Fund will invest in ASX listed entities and listed SPI futures and aims to provide an annual gross yield (including franking) that exceeds the gross yield of the S&P/ASX 200 Index before fees and taxes. The Fund also aims to outperform the S&P/ASX 200 Accumulation Index (including franking) after fees.

The Fund will typically hold a minimum of 50 and a maximum of 120 portfolio stocks and the holding of each stock will not be 5% more or less than that stock's weighting in the S&P/ASX 200 Index. The Fund will have a maximum cash exposure of 10%, although the Fund is intended to be fully invested with cash held for liquidity purposes only. SPI futures may be used for cashflow and exposure management so the Fund remains within the cash exposure guidelines. SPI futures are a derivative product which enables investors to trade movements in the S&P/ASX 200 Index in a single transaction. SPI futures provide exposure to Australian top 200 companies without having to buy or sell shares in every company in the index. The Fund is intended to be managed for low tax investors who can utilise franking credits. These investors include, but are not limited to, superannuation funds and charities. The Fund is likely to exhibit high turnover of investments and investment decisions, such as participating in off-market buybacks, will be evaluated based on a zero tax rate. The investment process aims to maximize the value gained from franked dividends, primarily via holding stocks which pay franked dividends and participating in off-market buybacks.

### Significant benefits

Investing in the Fund offers investors a range of benefits:

- investment expertise – access to Plato's investment expertise and quantitative portfolio optimisation techniques;
- diversification – the pooling of assets into the Fund provides investors with access to investment opportunities and diversification that is not available to an individual investor;
- regular distributions – investors in the Fund have the right to receive distributions which are usually paid quarterly following the end of September, December, March and June; and
- income and capital growth – the potential to earn dividends and franking credits from Australian shares and participate in

any capital growth of those shares.

## Section 4: Risks of investing in a managed investment scheme

**All investments carry risk.** Different strategies may carry different levels of risk, depending on the assets that make up that strategy. Assets with the highest long-term returns may also carry the highest level of short-term risk. The value of investments and the level of returns will vary. Future returns may differ from past returns. Returns are not guaranteed, and you may lose some of your money.

The significant risks for the Fund are:

- (a) market risk – market risk broadly refers to the potential for changes in share prices to result in a loss in the value of your investment in the Fund. The Fund primarily invests in ASX listed entities and as a result is exposed to the movements in the share prices. Factors that drive changes in share prices may include changing profitability of companies and the sectors and markets in which they operate, investor demand levels, economic cycles, share issues, business confidence and government and central bank policies;
- (b) performance risk – the Fund may fail to perform as expected in which case the Fund's investment objective may not be achieved;
- (c) Investment Manager strategy risk – if the Investment Manager's investment strategy is not successful it may result in the underperformance of the Fund, either in absolute terms, or relative to the market, its peers or both. Also, there is a risk that the Investment Manager fails to implement the investment strategy successfully, does not perform as expected or its key staff leave;
- (d) income risk – the Fund's ability to distribute income is determined by the performance of the Fund and general market conditions. Consequently, there is no guarantee that you will receive any income and the Fund is not a fixed income product. Further, the Fund allows for quarterly distributions. If, during a financial year, the Fund pays out as distributions an income which exceeds total tax income for that particular financial year, the excess you receive may be treated as a return of capital rather than income. This could have tax implications for you;
- (e) company specific risk – when a security in a company is purchased, the Fund will be exposed to many of the risks to which the individual company is itself exposed. These risks may impact the value of a security in the company. They include such factors as changes in management, actions of competitors and regulators, changes in technology and market trends;
- (f) derivative risk – the Fund may use derivatives, specifically listed SPI futures, to manage risk. Changes in the value of derivatives may occur due to a range of factors that include rises or falls in the value of a derivative in line with movements in the value of the underlying asset, potential illiquidity of the derivative and counterparty credit risk;
- (g) liquidity risk – whilst the Fund is exposed to ASX listed entities and listed SPI futures which are generally considered liquid investments, under extreme market conditions there is a risk that investments cannot be readily converted into cash or at an appropriate price. In these circumstances, the Fund may be unable to liquidate sufficient assets to meet its obligations within required timeframes, including payment of withdrawals, or it may be required to sell assets at a substantial loss in order to do so;
- (h) equity risk – the risk shares will fall over short or extended periods of time. Historically, over the long term, shares have outperformed other traditional asset classes. Share markets tend to move in cycles, and individual share prices may fluctuate and underperform other asset classes over extended periods of time;
- (i) counterparty risk – this is the risk that any of the counterparties which the Fund deals with may default on their obligations to pay monies or deliver securities to the Fund. This may result in a loss; and
- (j) regulatory risk – the risk that the value of some investments may be adversely affected by changes in government policies, regulations and laws, including tax laws.

You need to consider the level of risk that you are comfortable with, taking into account factors such as your age, your investment time frame, other assets and investments you have and your overall tolerance for risk.

## Section 5: How we invest your money

Before deciding whether to apply for units in the Fund, you should consider:

- the likely investment return of the Fund,
- the risk involved in investing in the Fund;
- and your investment timeframe.

The Fund offers exposure primarily to investments in ASX listed entities.

An investment in the Fund may suit you if you are seeking:

- an investment which aims to provide an annual gross yield (including franking) which exceeds the gross yield of the S&P/ASX 200 Index before fees and taxes;
- regular income distributions and the potential for some capital growth;
- an investment that invests primarily in ASX listed entities; and have a medium to long term (3–5 year) investment horizon.

The Fund may not be suitable if you:

- do not want an investment which is subject to the volatility of the share market; or
- require a guaranteed fixed income return.

### Summary of investment features

<b>Investment Objective</b>	The Fund aims to provide an annual gross yield (including franking) that exceeds the gross yield of the S&P/ASX 200 Index before fees and taxes. The Fund also aims to outperform the S&P/ASX 200 Accumulation Index (including franking) after fees.
<b>Investments</b>	The Fund will invest in ASX listed entities and listed SPI futures.
<b>Benchmark</b>	S&P/ASX 200 Accumulation Index (including franking)
<b>Portfolio allocation</b>	<ul style="list-style-type: none"><li>■ Minimum of 90% invested in ASX listed entities Maximum of 10% invested in cash, although the Fund is intended to be fully invested with cash and SPI</li><li>■ Futures held for liquidity purposes and to manage cashflow and investment exposure.</li></ul>
<b>Investment guidelines</b>	The weighting of a stock in the Fund's portfolio will not be 5% more or 5% less than its S&P/ASX 200 weighting.
<b>Number of stocks</b>	The Fund will typically hold 50 to 120 stocks at any one time.
<b>Risk level</b>	Moderate to high. This means there is a medium to high risk of losing money in any year. Conversely, the Fund is likely to produce higher returns over the long term.
<b>Fund borrowings</b>	Whilst the Fund is able to borrow up to a maximum of 30% of the value of the Fund, the Responsible Entity does not intend to borrow on behalf of the Fund.
<b>Currency</b>	Australian dollars
<b>Investment timeframe</b>	Medium to long-term, being 3 to 5 years.
<b>Fund performance</b>	Reported in the Fund's quarterly reports which are available at <a href="http://www.plato.com.au/fundprofiles">www.plato.com.au/fundprofiles</a> .

### Labour standards or environmental, social or ethical considerations

Plato recognises its duty to behave responsibly in its business activities and towards those whom its actions affect. As an investment manager, Plato believes that a high standard of business conduct, as well as a responsible approach to social, environmental and governance issues makes good business sense and enhances shareholder value.

Plato is a founding member of ESG Research Australia, which aims to encourage the development and provision of ESG research on listed companies by brokers within Australia.

#### UNPRI Member

Plato became a signatory to the UNPRI in 2011 after completing significant work in investigating the integration of ESG scores into investment processes in Australia. Plato continues to source new and updated ESG data in order to develop better understanding of the impact of ESG and sustainability issues upon risks and returns in their investment strategies. Plato has also signed up to receive governance issue notifications via the UNPRI clearing house. To find out more about the UNPRI, please visit their website ([www.unpri.org/](http://www.unpri.org/)).

#### Montreal Pledge Signatory

Plato signed the Montreal Pledge in 2014, which pledges to measure and annually report upon the Carbon Footprint of the funds which it manages. At the time of signing the pledge, the Fund's Carbon footprint of CO<sub>2</sub> or CO<sub>2</sub> equivalent greenhouse gasses was measured to be more than 10% lower carbon intensity than the Fund's benchmark. In other words, that measurement showed that the Fund was invested in companies with less than average greenhouse gas emissions intensity.

Labour standards and environmental, social and governance considerations are taken into account indirectly via earnings forecasts or once the Investment Manager becomes aware of them, but only to the extent that they are expected to affect the future financial performance of the investment.

### Change to Fund details

We have the right to change the Fund's asset classes, asset allocation ranges and investment return objective (including benchmark) without prior notice. We will inform investors of any material change to the Fund's details via Plato's website [www.plato.com.au/fundprofiles](http://www.plato.com.au/fundprofiles) or as otherwise required by law.

**! You should read the important information about 'How we keep you informed' before making a decision. Go to 'Additional Information to the PDS' at [www.plato.com.au/fundprofiles](http://www.plato.com.au/fundprofiles). The material relating to 'How we keep you informed' may change between the time you read this PDS and the day when you acquire the product.**

## Section 6: Fees and costs

### Consumer advisory warning

#### 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 fund 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 contribution fees and management costs where applicable. 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) website ([www.moneysmart.gov.au](http://www.moneysmart.gov.au)) has a managed funds calculator to help you check out different fee options.

### What are the fees and costs of the Fund?

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 Fund assets as a whole. Taxes are set out in another part of this document. You should read all the information about fees and costs because it is important to understand their impact on your investment.

Type of fee or cost	Amount	
Fees when your money moves in or out of the Fund		
Establishment fee	Nil	The management fee of the Fund is calculated daily based on the net asset value of the Fund, reflected in the daily unit price, and is deducted from the Fund's assets monthly, thereby reducing your investment returns.  The fees and costs are inclusive of Goods and Services Tax (GST) and take into account any expected Reduced Input Tax Credits (RITCs). Where fees have been quoted to two decimal places, the actual fee may have been rounded up.
Contribution fee	Nil	
Withdrawal fee	Nil	
Termination fee	Nil	
Management costs		
The fees and costs for managing your investment	0.90% p.a	

You should use this information to compare this product with other simple managed investment schemes.

There are no fees payable to a financial adviser in relation to your investment in the Fund. However, if you do consult a financial adviser they may separately charge you fees.

The following table gives an example of how the fees and costs applicable to units in the Fund can affect your investment over a one (1) year period.

Example	Balance of \$50,000 with a \$5,000 a year contribution	
Contribution fee	Nil	For every additional \$5,000 you put in, you will be charged \$0.
Plus Management Costs	0.90% p.a.	For every \$50,000 you have in the Fund you will be charged \$450 each year.
Equals Cost of Fund		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during the year, you would be charged fees of \$450. <sup>1</sup>  <b>What it costs you will depend on the investment option you choose and the fees you negotiate with your fund or financial adviser.</b>

<sup>1</sup> This example assumes the \$5,000 contribution occurs at the end of the year and therefore Management Costs are calculated using the \$50,000 balance only. Additional fees may apply, including a Buy/Sell spread.

Please note that this is just an example. In practice, your investment balance will vary, as will related Management Costs. We reserve the right to change fees and other costs without your consent, but subject to any limitations under the Constitution and applicable law. We will give you 30 days notice prior to increasing fees. Fee rebates may be individually negotiated with wholesale clients.

**! You should read the important information about 'Fees and Costs' before making a decision. Go to 'Additional Information to the PDS' at [www.plato.com.au/fundprofiles](http://www.plato.com.au/fundprofiles). The material relating to 'Fees and Costs' may change between the time when you read this PDS and the day when you acquire the product.**

## Section 7: How managed investments schemes are taxed

**Investing in a managed fund is likely to have tax consequences.**

**Australian tax laws are complex and subject to constant change.**

**We strongly advise you to seek professional tax advice before making a decision to invest.**

### **Will I be liable to pay tax on distributions made by the Fund?**

Managed funds are generally not subject to tax, and do not pay tax on behalf of investors.

Rather, you will be assessed on your share of income and net realised capital gains generated by the Fund.

The Fund is intended to be managed for low tax investors who can utilise franking credits. These investors include, but are not limited to, superannuation funds and charities. The Fund is likely to exhibit high turnover of investments and investment decisions, such as participating in off-market buybacks, will be evaluated based on a zero tax rate.

Tax may be payable on the taxable component of distributions even where such distributions are reinvested. We will send you an annual tax statement each year to assist in the preparation of your income tax return.

### **Will I be liable to pay tax when I withdraw money from the Fund?**

If you are an Australian investor, when you withdraw or transfer units in the Fund, tax will generally be payable on any net capital gain that you make.

### **What is the composition of distributions likely to be?**

Any taxable distributions you receive from the Fund are likely to be in the form of dividend income or capital gains. Any franking credits received by the Fund will be distributed to investors.

Any capital losses made by the Fund will not be able to be distributed to investors but can be retained within the Fund to offset against future capital gains.

### **Do I have to provide a Tax File Number ('TFN') or an Australian Business Number ('ABN')?**

No. However, if you do not provide your TFN or ABN or claim an exemption, the Fund is required to deduct tax at the top marginal tax rate plus Medicare levy on the taxable component of any distributions.

**! You should read the important information about 'Taxation' before making a decision. Go to 'Additional Information to the PDS' at [www.plato.com.au/fundprofiles](http://www.plato.com.au/fundprofiles). The material relating to 'Taxation' may change between the time when you read this PDS and the day when you acquire the product.**

## Section 8: How to apply

To apply for units in the Fund, please read this PDS together with the Additional Information to the PDS, then complete the Application Form available at [www.plato.com.au/fundprofile](http://www.plato.com.au/fundprofile).

Applications received, verified and accepted by the Fund Administrator prior to 12.00pm (Sydney time) on a Business Day will generally be processed using the unit price for that day. For applications accepted after 12.00pm (Sydney time) or on a non-business day, generally the next business day's unit price will apply.

If your application monies are not received within 14 days, either units will not be issued to you or units which have been issued may be cancelled and you will be deemed not to be an investor.

No interest is received on application monies, including monies for additional investments, and no interest will be paid to you if for any reason your application can not be accepted.

Detailed information on how to manage your investment in the Fund is available on the website, or by calling Pinnacle on 1300 360 306.

### **Cooling-off period**

A 14 day cooling-off period applies during which you may change your mind about your application for units and request the return of your money in writing. Generally, the cooling-off period runs for 14 days from the earlier of the time your application is confirmed, or the end of the fifth business day after your units are issued.

The amount refunded to you may be less than your investment amount due to market movements, adjusted for expenses, applicable taxes and transaction costs incurred between the date of the application and the date of withdrawal.

### **Complaints resolution**

We have a complaints handling policy, and aim to resolve all complaints quickly and fairly. If you have a complaint about your investment, please contact us on:

Complaints Resolution Officer  
Pinnacle Fund Services Limited  
PO Box R1313  
Royal Exchange NSW 1225

Email: [teamcompliance@pinnacleinvestment.com.au](mailto:teamcompliance@pinnacleinvestment.com.au)

P 1300 360 306

All complaints received will be acknowledged in writing. We will act in good faith to ensure your complaint is investigated and resolved. If the issue has not been resolved within 45 days, you may be entitled to refer your complaint to the Financial Ombudsman Service Limited. They will be able to advise you whether they can assist you in this matter. Please quote the Responsible Entity's membership number to them which is 10252.

The contact details for the Financial Ombudsman Service are:

Financial Ombudsman Service Limited

GPO Box 3, Melbourne VIC 3001

T 1300 780 808 F 03 9513 6399

[info@fos.org.au](mailto:info@fos.org.au) | [www.fos.org.au](http://www.fos.org.au)

The Financial Ombudsman Service Limited is an independent body whose decisions are binding on the RE.

### **Foreign Account Tax Compliance Act (FATCA)**

There are certain consequences that may occur if you apply to invest and you are, or become, a US entity, a US citizen, reside in the US or have some connection with the US. These consequences may potentially be adverse to you. If this applies to you, we encourage you to seek professional taxation advice.

### **mFund**

The Fund has been admitted to mFund, the managed fund settlement service operated by the ASX, providing a convenient way for investors to apply or redeem units in the Fund. mFund allows you to settle, or pay the application price and be paid the redemption prices, based on the net asset value of the Fund. This is different to a listed fund, where the market decides the price of the units. mFund does not facilitate on-market buying and selling between investors. Your unitholdings will be CHESS sponsored by your broker and identified through your individual Holder Identification Number (HIN). See [www.mfund.com.au](http://www.mfund.com.au) for additional information.

## **Section 9: Other information**

### **Disclosing entity**

As a disclosing entity, the Fund will be subject to regular reporting and disclosure obligations. Copies of documents lodged with ASIC may be obtained from, or inspected at, an ASIC office. You will have the right to obtain various financial reports lodged with ASIC for the Fund. We will satisfy our continuous disclosure obligations for the Fund by publishing material information at [www.plato.com.au/fundprofiles](http://www.plato.com.au/fundprofiles).

### **Consents**

Plato Investment Management Limited, the Investment Manager, RBC Investor Services Trust, the Fund Administrator, and Pinnacle Investment Management Limited, the distributor of the Fund to investors in Australia, have consented to being named in this PDS in the form and context in which they are named.

RBC Investor Services Trust has been appointed as the Custodian and Fund Administrator for the Fund. RBC Investor Services Trust's role as Custodian is limited to holding assets of the Fund. As Fund Administrator, RBC Investor Services is responsible for the day to day administration of the Fund.

RBC Investor Services Trust has no supervisory role in relation to the operation of the Fund and has no liability or responsibility to you for any act done or omission made in accordance with the Custody and Investment Administration Agreements. RBC Investor Services Trust was not involved in preparing, nor takes any responsibility for this PDS and RBC Investor Services Trust makes no guarantee of the success of the Fund nor the repayment of capital or any particular rate of capital or income return.

### **Privacy**

Any personal information you provided in applying for units in the Fund will be collected, held and used in accordance with our Privacy Policy.

**! You should read the important information about 'Privacy' before making a decision. Go to 'Additional Information to the PDS' at [www.plato.com.au/fundprofiles](http://www.plato.com.au/fundprofiles). The material relating to 'Privacy' may change between the time when you read this PDS and the day when you acquire the product.**

### **Contact**

If you have a query in relation to your investment in the Fund, please contact us at:

Freecall: 1300 360 306 | Email: [service@pinnacleinvestment.com.au](mailto:service@pinnacleinvestment.com.au)

Website: [www.plato.com.au/fundprofiles](http://www.plato.com.au/fundprofiles)

# Additional information to PDS



**Plato**  
INVESTMENT MANAGEMENT

## **Plato Australian Shares Income Fund**

ARSN 152 590 157 APIR WHT0039AU

## **Plato Australian Shares Income Fund (Managed Risk)**

ARSN 126 577 820 APIR WHT0055AU

Issued on: 18 May 2015

Issued by: Pinnacle Fund Services Limited

ABN 29 082 494 362 AFSL 238371

The information in this document forms part of the Product Disclosure Statement ('PDS') of each of the following funds:

- Plato Australian Shares Income Fund - dated 18 May 2015; and
- Plato Australian Shares Income Fund (Managed Risk) – dated 18 May 2015, collectively referred to as 'Funds' and individually as 'Fund'.

You should read this information together with the relevant PDS in its entirety before making a decision to invest in the Fund(s).

The information in this document is general information only and does not take into account your objectives, personal financial situation or needs. You should consider the appropriateness of this information having regard to your objectives, financial situation and needs. We strongly recommend that you seek professional advice from a financial adviser before deciding to invest in the Fund(s).

## **1. Plato**

Plato Investment Management Limited ('Plato') is an Australian owned boutique Australian equities manager specialising in after tax management for accumulation and pension phase superannuation. The firm was founded in 2006 and is majority owned and operated by its investment staff. Plato is supported by its minority equity owner, Pinnacle Investment Management Limited ('Pinnacle'), an Australian multi-affiliate investment management firm.

Plato specialises in managing Australian equities for domestic investors, with particular emphasis on maximising after tax returns for different tax classes, such as 'tax-exempt' charities and pension phase superannuation and 15% tax rate accumulation phase superannuation.

Plato's philosophy is centred on the belief that the market is a complex, adaptive system and is therefore never fully efficient. These market inefficiencies are derived from informational, behavioural and structural (e.g. tax) sources. Some of these sources of return are exploited on a long-term, strategic time horizon and others are extracted on a short-term, tactical basis. Plato's investment process can be best characterised as a "systematic implementation of fundamental ideas".

## **2. How the Fund works**

### **Investing directly**

Unless you are using the managed funds settlement services operated by ASX ('mFund'), you can invest in the Fund directly by completing the Application Form. The Application Form is available by calling 1300 360 306 or on our website at [www.plato.com.au/fund\\_profiles](http://www.plato.com.au/fund_profiles) or <http://www.plato.com.au/managedrisk>.

We reserve the right not to accept (wholly or in part) any application for any reason or without reason. If we refuse to accept an application, any funds received from you will be returned to you without interest.

For an application to be valid, it must be correctly completed and it must comply with the designated minimum investment amounts referred to in the relevant PDS and be appropriately signed by the applicant(s). The Responsible Entity may, however, at its discretion, accept amounts less than the minimum initial investment amounts.

If, for any reason, we are unable to process your application (for example, the application form is incomplete or incorrectly completed or we are not satisfied that we have received the necessary proof of identification requirements to meet our obligations under AML/CTF law), the application monies will be held by us in a non-interest bearing trust account for up to 30 days (while we endeavour to verify your identification information or obtain any necessary outstanding information) after which we will return the application monies to you.

## Indirect Investors

We authorise the use of the PDS as disclosure to persons who wish to access the Fund indirectly through an Investor Directed Portfolio Service ('IDPS'), IDPS-like scheme or a nominee or custody service (collectively referred to as master trusts or wrap accounts). An IDPS is an investment and reporting service offered by an operator. People who invest through an IDPS, master trust or wrap account are Indirect Investors.

Investors gaining exposure to the Fund through an IDPS, master trust or wrap account do not themselves become investors in the Fund. It is generally the operator of the IDPS, or their custodian or nominee, that invests for them and so has the rights of an investor. They exercise their rights in accordance with their arrangements with the investor.

Indirect Investors complete the application form for the IDPS and receive reports from their operator, not the Responsible Entity. When investing through an IDPS, master trust or wrap account, Indirect Investors should complete the documents required by the operator of these services. Indirect Investors are not required to complete the Application Form. Enquiries should be directed to the IDPS operator.

## Different classes

Where permitted under the Constitution, we may issue more than one class of units in the Fund, with different applicable fees and possibly other different conditions of issue. The class(es) of units offered under the PDS is(are) the only class(es) of units currently on issue.

## Switches

You may switch from one Plato Fund to the other Plato Fund at any time. A switch operates as a withdrawal of units in one Fund and the investment of units in the other Fund and therefore may have taxation implications. Please contact a licensed financial or taxation adviser for further information.

There is no switching fee applicable as at the date of this document. However, a buy/sell spread or a contribution fee may apply to the relevant Fund(s) at the time of the switch. Before making a decision to switch, you should read the relevant PDS.

## Withdrawals

Unless you are using mFund, you can withdraw some or all of your investment at any time, by written request, signed by the appropriate signatories.

Please note that we only make payments to your nominated bank or financial institution account. No third party payments will be allowed. There may be circumstances where your ability to withdraw from the Fund is restricted.

The following text contains further information on restrictions on withdrawals and should be read in conjunction with the PDS.

We may delay or suspend a withdrawal request where we are unable to realise certain assets due to circumstances outside our control, such as when there is restricted or suspended trading in assets held by the Fund, or where the Fund becomes non-liquid as defined by the Corporations Act.

The Fund will be non-liquid under the Corporations Act if it has less than 80% of liquid assets (generally cash and marketable securities). If the Fund is non-liquid, withdrawals from the Fund may only be possible if we make a withdrawal offer in accordance with the Corporations Act.

We are not obliged to make such an offer. However, if we do you will only be able to withdraw your investment in accordance with the terms of a current withdrawal offer. If an insufficient amount of money is available from the assets specified in the withdrawal offer to satisfy all withdrawal requests, the requests will be satisfied proportionately among those investors wishing to withdraw from the Fund.

The constitution of the Fund also contains specific provisions that provide us with powers in relation to withdrawals. The specific provisions of the Fund constitution are summarised below.

Provision	Explanation
<b>Payment of withdrawals by transfer of assets</b>	With the consent of an investor, we may transfer Fund assets in satisfaction of all or any part of an investor's withdrawal request. The assets must be of the same value as the amount of the withdrawal.
<b>Conditions</b>	We may impose conditions on the redemption of units by investors including, for example, imposing restrictions on the maximum number of units or maximum proportion of a unitholding that an investor or investors collectively may redeem. However, we can only impose conditions where we reasonably consider it in the best interest of investors to do so.
<b>Suspend redemptions</b>	We may suspend redemptions for up to 21 days (or such other period that we consider reasonable), if we reasonably believe that we cannot accurately determine the unit price of the Fund, or cannot realise all the assets of the Fund for cash.  Following the lifting of any suspension, we will calculate the unit price which applies to all outstanding withdrawal requests and any withdrawal requests received during the suspension period.

## Distributions

### *How you receive income from your investment*

The type of income you receive from your investment depends on the underlying asset classes within the relevant Fund. Income (such as interest, dividends and realised capital gains) from investments in a Trust will be paid to you via income distributions.

Where the investment activities of a Fund result in a net revenue loss (including any carried forward revenue losses from a prior period), no income distribution will be made in the period. Losses will be carried forward to be offset against future distributable income of the Fund.

Where net capital profits are realised, they may be distributed each period or alternatively, partly or wholly held over until the period ending 30 June each year.

If held over, their value would be reflected in the unit price.

### *Distribution reinvestment*

Where you elect to reinvest your distributions, the distribution reinvestment price is the unit price at the end of the distribution period (without the applicable buy-spread) less the distribution per unit payable.

By electing to reinvest your distributions, you are deemed to have directed us to apply such monies towards the subscription for the number of units, of the same class as already held, at the relevant distribution reinvestment price. All units allotted as part of the distribution reinvestment will rank equally in all respects with existing units in the same class.

At the time the distribution reinvestment price is set, all information that would, or would be likely to, have a material adverse effect on the realisable price of the units will be publicly available.

Investors may cancel their participation at any time by giving notice to the Responsible Entity. The cancellation will apply from the date of receipt, as long as it is at least 10 days prior to a distribution date, or such future date as nominated by you. Retrospective cancellations are not permitted.

The Responsible Entity may cancel or suspend distribution reinvestments, or modify the terms by which distribution reinvestments are permitted.

## 3. How we keep you informed

For the most up to date information on your investment with Plato visit [www.plato.com.au/funds](http://www.plato.com.au/funds).

At Plato's website you can:

- Access PDS documents, additional information and the annual financial reports for the Fund(s).
- Download fund forms which includes the application form and other standard administration forms
- Monitor unit prices, investment performance, and changes to the Fund(s).
- Read the latest views and opinions of our investment managers and investment strategist.

### Confirmation statement

A statement of confirmation will be sent to you for your initial investment, as well as any additional investments, withdrawals and changes that you make to your account (such as change in address).

### Transaction statement

You will receive a transaction statement on a quarterly basis. The transaction statement will provide you with the total value of your investment as at the end of that period, including any switches, withdrawals, investments and distributions received.

### Annual taxation statement

After making any distribution for the period ended 30 June each year, an annual taxation statement will be forwarded to you.

### Distribution statement

A distribution statement will be sent to you in the month following the end of a distribution period, detailing your income distribution and current balance.

### Financial report

The annual financial report for the Fund(s) you are invested in, detailing the financial performance of the Fund(s) for the financial year ending 30 June, can be downloaded from [www.plato.com.au/funds](http://www.plato.com.au/funds) after 30 September each year.

### Continuous disclosure

The Responsible Entity will comply with the continuous disclosure requirements for disclosing entities under the Corporations Act.

This means that copies of documents the Responsible Entity lodges with ASIC may be obtained from or inspected at an ASIC office.

The Responsible Entity will also send you free, upon request, copies of:

- The most recent annual financial report for the Fund(s) lodged with ASIC.
- Any half year financial reports for the Fund(s) lodged with ASIC after the lodgement of the most recent annual financial report and before the date of the relevant PDS.
- Any continuous disclosure notices lodged for the Fund(s) after the lodgement of that most recent annual financial report and before the date of the relevant PDS

## 4. Fees and costs

The following section provides detailed information about the fees and costs you may be charged for investing in the Fund along with further information about the additional fees and costs that could apply to your investment. This information should be read in conjunction with the PDS.

### mFund costs

Your broker may charge you a fee to help you acquire or redeem units via mFund.

### Fee Table – Plato Funds

Type of fee or cost	Amount	How and when paid						
<b>Fees when your money moves in or out of the Fund<sup>1</sup></b>								
<b>Establishment fee</b> The fee to set up your investment.	Nil	Not applicable						
<b>Contribution fee</b> The fee on each amount contributed to your investment	Nil	Not applicable						
<b>Withdrawal fee</b> This is the fee charged on each amount you withdraw out of your investment.	Nil	Not applicable						
<b>Termination fee</b> The fee charged to close your investment	Nil	Not applicable						
<b>Management costs</b> The fees and costs for managing your investment. <sup>2</sup>	<table border="1"> <thead> <tr> <th>Fund</th> <th>Management Fee (p.a.)</th> </tr> </thead> <tbody> <tr> <td>Plato Australian Shares Income Fund</td> <td>0.9%</td> </tr> <tr> <td>Plato Australian Shares Income Fund (Managed Risk)</td> <td>0.99%</td> </tr> </tbody> </table>	Fund	Management Fee (p.a.)	Plato Australian Shares Income Fund	0.9%	Plato Australian Shares Income Fund (Managed Risk)	0.99%	<p>The Management Fee is payable to the Investment Manager for managing the investments of the Fund. The Management Fee is calculated on the net asset value of the Fund, reflected in the daily unit price and payable monthly in arrears from the Fund.</p> <p>Extraordinary expenses are paid from the Fund assets as and when incurred.<sup>3</sup></p>
Fund	Management Fee (p.a.)							
Plato Australian Shares Income Fund	0.9%							
Plato Australian Shares Income Fund (Managed Risk)	0.99%							
<b>Service costs</b> Investment switching fee The fee for changing investment options	Nil	Not applicable						

1. Transaction costs (Buy/Sell costs) apply. Refer to 'Buy/Sell costs' below.
2. Refer to 'Management Costs' below.
3. Refer to 'Extraordinary expenses' below.

### Management Costs

The terms 'Management Costs' and 'Management Fees' mean different things. The Management Fee is expressed as an annual percentage of the net asset value of the Fund, calculated on the gross Fund value, accrued daily and payable from the Fund at the end of each month to the Investment Manager. Out of the Management Fee the Investment Manager will retain its management fee and pay all additional fees and costs for managing your investment (excluding transaction costs). Examples of these types of fees and costs include:

- Responsible Entity fees;
- administration costs
- safekeeping fees;

- audit costs;
- legal costs; and
- borrowing costs.

Therefore, for this Fund, the Management Fee reflects total Management Costs.

It is not intended to increase the Management Fee, however the Fund Constitution allows for a maximum Management Fee of up to 3% per annum of the total tangible assets of the Fund.

### Extraordinary expenses

In general, the Management Fee is all that will be charged. However, under certain circumstances, extraordinary expenses may be paid directly by the Fund. Extraordinary expenses are not of an ongoing nature. Examples of this type of expense include:

- convening of an investors' meeting;
- termination of the Fund;
- amending the Fund constitution;
- defending or bringing of litigation proceedings; and
- replacement of the Responsible Entity.

### Buy/Sell costs

When you withdraw all or part of your investment or apply for units you will incur a buy/sell spread (they are also referred to as buy/sell transaction costs). The buy/sell spread is currently 0.20% in and 0.20% out. For example, if you invested \$50,000 in the Fund the cost of your buy/sell spread would be \$100. The amount is added or subtracted equally from the Fund's unit price, being the Fund's net asset value divided by the number of units on issue, to get both the issue price and withdrawal price. The buy/sell spread is an additional cost to you.

These transaction costs recoveries are paid to the Fund to ensure equity between those investors leaving or joining and those remaining or already in the Fund. They are not fees paid to the Responsible Entity or the Investment Manager.

### Incidental fees

We may charge fees where provided for under the Corporations Act. For example, a \$10 fee to provide a copy of the Fund constitution.

### Differential fee arrangements

The Responsible Entity or the Investment Manager may agree with wholesale clients (as defined in the Corporations Act) to rebate some of the Management Fee on a case by case basis. We take into account relevant factors which may include the size of the investment. Such rebate arrangements will be by individual negotiation with us. We are not permitted to enter into individual fee arrangements with retail investors.

### Fees for Indirect Investors

Indirect Investors must also refer to the fees and costs payable for the IDPS, master trust or wrap account they are investing through. The IDPS operator will be the registered holder of the units and may charge you fees that are different or in addition to the Fund's fees detailed in this section and the PDS. You should refer to the offer document for the relevant IDPS, master trust or wrap account for more information.

### Changes to fees and other costs

We reserve the right to change fees and other costs, subject to any limitations under the Fund constitution and applicable law. We will give investors 30 days notice prior to increase in any fees.

Some fees currently charged are less than the maximum amounts allowed under the Fund constitution. The following are the maximums for those fees under the Fund constitution:

- management fee payable to the Responsible Entity or the Investment Manager – up to 3% per annum of the total tangible assets of the Fund; and
- buy/sell spread – up to 0.35% of the unit price

### Goods and services tax (GST)

The fees and costs outlined above and in the PDS are GST inclusive amounts, net of any expected reduced input tax credits.

If, for any reason, the Fund is not eligible to receive an input tax credit from the ATO for expenses incurred, the additional GST costs would be incurred by the Fund.

## 5. Taxation

**WARNING: Investing in a registered managed investment scheme is likely to have tax consequences. You are strongly advised to seek professional tax advice.**

The taxation implications of investing in the Funds can be complex and depend on a number of factors, including whether you are a resident or non-resident of Australia for taxation purposes and whether you hold the units on capital account or revenue account.

### Income of the Fund(s)

Each Fund has been established as an Australian resident unit trust. It is intended that investors will be presently entitled to all of the income from a Fund for each financial year such that no taxation liability will accrue to the Responsible Entity. However, a Fund may be required to withhold tax on income distributed to unit holders who are non-residents of Australia or are under a legal disability (e.g. under the age of 18).

Each Fund's investments and activities are likely to give rise to income, dividends, capital gains and losses.

The income of a Fund may be affected by the Taxation of Financial Arrangements rules. If so, the timing of when such income is brought to account for tax purposes may be different to the amount distributed to you, so that you may be required to pay on income that has not yet been distributed to you.

### Taxation of Australian Resident investors

Investors are generally subject to tax on their share of the net income from a Fund to which they are presently entitled in each financial year. This will also include amounts that are reinvested in a Fund. The way in which investors are taxed will depend on the character of the income they receive (for example, franked dividends to which franking credits may attach, capital gains, foreign income to which foreign income tax offsets may attach, or interest income).

We will provide you with an annual taxation statement after 30 June each year. The annual taxation statement will outline the tax treatment of the distributions you have received in that income year, including any foreign income tax offsets and franking credit entitlements.

To the extent that an investor's share of the net income of a Fund is attributable to a capital gain made by a Fund, the investor will include the capital gain in their assessable income. Certain investors may be entitled to apply the relevant Capital Gains Tax (CGT) discount to work out the net capital gain to include in their assessable income. In normal circumstances, you should expect the Fund(s) to derive income and/or capital gains each year.

### Withdrawals from a Fund and Disposal of Units

Withdrawal or disposal of a unit in a Fund is the disposal or cancellation of a CGT asset by an investor and a CGT event for tax purposes. To the extent that the proceeds exceed the cost base on the unit, you will make a capital gain. However, if the proceeds are less than your reduced cost base, you will make a capital loss. Generally, a capital loss can only be used to offset against capital gains derived in the current or a future tax year.

### Non-resident individual unit holders

The above taxation summary is only for investors who are residents of Australia for tax purposes. The tax treatment of non-resident investors in the Fund depends on the investor's particular circumstances and the provisions of the relevant Double Tax Agreement between Australia and the country of residence. It is important that non-resident investors seek independent professional taxation advice before investing in the Funds.

The Fund(s) may be required to withhold tax on part or all of the distributions made to non-resident investors.

### Goods and Services Tax (GST)

Unless otherwise stated, the fees quoted in the relevant PDS and this Additional Information to the PDS are inclusive of GST less Reduced Input Tax Credits. The benefits of any tax deductions, including additional input tax credits for GST, are passed on to investors in the form of reduced fees or costs.

### Tax File Numbers and Australian Business Numbers

You are not required to quote your Tax File Number (TFN) or, if you have one, an Australian Business Number (ABN)<sup>1</sup> or claim an exemption from providing a TFN.

However, if a TFN or ABN is not provided or an exemption is not claimed, we are required by law to withhold tax from distributions at the top marginal tax rate plus the Medicare Levy. If you are making this investment on behalf of a business or enterprise you carry on, you may quote your ABN instead of a TFN.

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<sup>1</sup> Under AML/CTF law, disclosure of an ABN is required for those individual investors who are a sole trader.

## Foreign Account Tax Compliance Act (FATCA)

There are certain consequences that may occur if you apply to invest and you are, or become, a US entity, a US citizen, reside in the US or have some connection with the US. These consequences may potentially be adverse to you. If this applies to you, we encourage you to seek professional taxation advice.

Based on current guidance, the Responsible Entity believes that the Funds must comply with certain requirements under FATCA, which applied from 1 July 2014. Accordingly, we may request that you provide certain information about yourself in order for us to comply with its FATCA obligations.

## 6. Privacy

When Investors apply to invest in the Funds they acknowledge and agree that:

- a) they are required to provide the Responsible Entity with certain Personal Information to facilitate this application; and
- b) the Responsible Entity may be required to disclose this information to:
  - i. third parties carrying out functions on behalf of the Responsible Entity on a confidential basis;
  - ii. third parties if that disclosure is required by or to the extent permitted by law; and
  - iii. an Investor's adviser.

All Personal Information will be collected, used and stored by Responsible Entity in accordance with its Privacy Policy, a copy of which is available on request. We will use your information for the purpose of marketing products issued by the Responsible Entity and its related entities. To ensure that the Personal Information we retain about you is accurate, complete and up to date, please contact us if any of your details change. You can unsubscribe from marketing communications from us at any time by contacting us.

### Collecting and using your information

We collect information for the following purposes:

- to process your application;
- to administer your investment and provide you with reports;
- to monitor and improve the quality of service provided to you; and
- to comply with regulatory or legal requirements, including the Corporations Act, the Proceeds of Crime Act, the Financial Transaction Reports Act, the Anti-Money Laundering and Counter-Terrorism Financing Act, and Foreign Account Tax Compliance Act.

We also ask you for some personal details so that we, and our related companies, can keep in touch with you and tell you on an ongoing basis about our other products and services that could be useful to you. We may do this by telephone, electronic messages (eg. email) and other means. Please contact us if you do not wish your details to be used for marketing purposes.

We may gather information about you from a third party. These include credit agencies, financial advisers, fund managers or intermediaries and spouses. We may also collect details of your interactions with us and our products and services (including from our records of any telephone and email interactions).

If you provide someone else's personal information to us, you must ensure that they first agree on the basis of this privacy section.

### Disclosing your information

We exchange your personal information with your consultant/adviser and third parties appointed by your consultants/adviser if you complete Authorised Representative section of the Application Form, or if you request us to, and to any other authorised representative of yours (such as your accountant or lawyer) from time to time. In addition, we may exchange personal information about you in the following circumstances:

- you consent to the disclosure;
- with any joint investor;
- with companies that provide services to us, to our related companies, to the Fund, or on our behalf (and our related companies may also exchange personal information with these companies) - for example administration, custody, investment management, technology, identity verification, auditing, registry, mailing or printing services; or
- where required or authorised by law, which may include disclosures to the Australian Taxation Office and other Government or regulatory bodies; or
- with organisations related to us such as Pinnacle Investment Management Ltd and its related bodies corporate, whether in Australia or any overseas jurisdiction ('Related Companies').

In some cases, the types of organisations referred to above to whom we will disclose your personal information may be located in other countries.

## 7. Additional Information

### Incomplete applications

Application monies accompanying an incomplete application will be retained in a non-interest bearing trust account for up to 30 days pending receipt of the required information.

### Declaration

Please sign the application form including the appropriate declaration. All applicants must sign. Corporate applicants may sign under common seal or by their authorised representatives. If signing under a power of attorney, you are certifying that the power of attorney has not been revoked (a certified copy of power of attorney must be submitted with this application unless we have already sighted it).

### Effect of the application form

In addition to the acknowledgments contained in the Declaration on the application form, by completing and signing the application form the investor:

- (a) agrees to be bound by the provisions of the Fund(s) constitution;
- (b) acknowledges having read and understood the PDS, including this document;
- (c) authorises the provision of information relating to the investor's account to the named financial adviser, and any other person authorised by that adviser, from time to time;
- (d) authorises the use of the TFN information provided on the application form in respect of the investor's Fund(s) account;
- (e) acknowledges that neither the Responsible Entity, its respective holding companies and officers, nor the Investment Manager and its respective officers and holding companies, guarantees the capital invested by investors or the performance of the specific investments of the Fund(s);
- (f) acknowledges that the provision of the product available through the PDS should not be taken as the giving of investment advice by the Investment Manager or the Responsible Entity, as they are not aware of the investor's investment objectives, financial position or particular needs;
- (g) acknowledges that they are responsible for ensuring that the information on the application form is complete and correct;
- (h) acknowledges that neither the Responsible Entity nor its agents are responsible where a loss may be suffered as a result of the investor providing incorrect or incomplete information; and
- (i) agrees that the Responsible Entity may:
  - (1) require the investor to provide any additional documentation or other information and perform any acts to enable compliance with any laws relating to anti-money laundering and counter terrorism financing (AML), including FATCA, or any other law;
  - (2) at its absolute discretion and without notice to the investor, take any action it considers appropriate including blocking or delaying transactions on the investor's account or refuse to provide services to the investor to comply with any law relating to AML or any other law; and
  - (3) in its absolute discretion and without notice to the investor report any, or any proposed, transaction or activity to anybody authorised to accept such reports relating to AML or any other law.
- (j) acknowledges that the Responsible Entity is required to collect the investor's personal information under the Corporations Act 2001 and the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 and agrees that information provided may be used as detailed in the PDS and the Responsible Entity's Privacy Policy.

### Electronic PDS

The application form may only be distributed when accompanied by a complete and unaltered copy of the relevant PDS. The application form contains a declaration that the investor has personally received the complete and unaltered PDS prior to completing the application form.

The Responsible Entity will not accept a completed application form if it has reason to believe that the applicant has not received a complete paper copy or electronic copy of the PDS or if it has reason to believe the application form or electronic copy of the PDS has been altered or tampered with in any way. Whilst the Responsible Entity believes that it is extremely unlikely that during the period of this PDS, the electronic version of the PDS will be tampered with or altered in any way, the Responsible Entity cannot give any absolute assurance that this will not occur.

Any investor in doubt concerning the validity or integrity of an electronic copy of the PDS should immediately request a paper copy of the PDS directly from the Responsible Entity.

### Authorised Representative Form

#### *Appointment of authorised representative*

A person appointed as your authorised representative is authorised by you to: apply for units in the Fund(s) and sign all documents necessary for this purpose; make requests to redeem all or some of your units (receipt by the authorised representative or as directed by the authorised representative fully discharges our redemption obligations to you); and make written requests for information regarding your units.

The Responsible Entity may act on the sole instructions of the authorised representative until the Responsible Entity is notified that the appointment of the authorised representative is terminated.

You can cancel your appointment of the authorised representative by giving the Responsible Entity 14 days prior notice, as permitted by law. Termination of an appointment does not prejudice the following statement. By appointing an authorised representative, you agree to release, discharge and indemnify the Responsible Entity from and against any loss, expense, action, claims or other liability which may be suffered by you or brought against the Responsible Entity for any actions or omissions by you or your authorised representative, whether authorised or not by you or your authorised representative. Any request for information by an authorised representative will be responded to in writing only. Such written responses will be sent to the authorised representative's email/fax/residential address nominated on the Authorised Representative Form.

If an authorised representative is a partnership or a company, any one of the partners or any director of the company is each individually deemed to have the powers of the authorised representative. It is sufficient for the Responsible Entity to show that it had reasonable grounds for belief that an action was taken or a request given by or for an authorised representative where determining whether an action or request was taken or given by the authorised representative.