

# PAC Global Innovation Fund - Retail Class



This is a class of the PAC Capital Fund

## Product Disclosure Statement

ARSN 652 244 365  
APIR ETL7700AU  
Issue Date 21 June 2022

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This Product Disclosure Statement (“PDS”) was issued on 21 June 2022. This PDS is for the offer of interests in the PAC Global Innovation Fund - Retail Class (APIRETL7700AU), a class of the PAC Capital Fund (ARSN 652 244 365). The PAC Global Innovation Fund - Retail Class is referred to throughout this PDS as the “Retail Class”.

The PDS has been prepared and issued by Equity Trustees Limited (ABN 46 004 031 298, Australian Financial Services Licence (“AFSL”) No. 240975) in its capacity as the responsible entity of the PAC Capital Fund (referred to throughout this PDS as the “Responsible Entity”, “Equity Trustees”, “us” or “we”). The investment manager is PAC Capital Pty Ltd (referred to throughout this PDS as the “Investment Manager” or “PAC Capital”). PAC Capital Pty Ltd is an Authorised Representative of PWM Financial Services Pty Ltd – AFSL 226143 (Authorised Representative no. 001266321).

The Responsible Entity has authorised the use of this PDS as disclosure to investors and prospective investors who invest directly in the Retail Class, as well as investors and prospective investors of an investor directed portfolio service, master trust, wrap account or an investor directed portfolio service-like scheme (“IDPS”). This PDS is available for use by persons applying for units through an IDPS (“Indirect Investors”).

The operator of an IDPS is referred to in this PDS as the “IDPS Operator” and the disclosure document for an IDPS is referred to as the “IDPS Guide”. If you invest through an IDPS, your rights and liabilities will be governed by the terms and conditions of the IDPS Guide. Indirect Investors should carefully read the IDPS Guide before investing in the Retail Class. Indirect Investors should note that they are directing the IDPS Operator to arrange for their money to be invested in the Retail Class on their behalf. Indirect Investors do not become unitholders in the Retail Class or have the rights of unitholders except in relation to access to Equity Trustee’s complaints resolution process (see Section 8). The IDPS Operator becomes the unitholder in the Retail Class and acquires these rights. The IDPS Operator can exercise or decline to exercise the rights on an Indirect Investor’s behalf according to the arrangement governing the IDPS. Indirect Investors should refer to their IDPS Guide for information relating to their rights and responsibilities as an Indirect Investor, including information on any fees and charges applicable to their investment. Information regarding how Indirect Investors can apply for units in the Retail Class (including an application form where applicable) will also be contained in the IDPS Guide. Equity Trustees accepts no responsibility for IDPS Operators or any failure by an IDPS Operator to provide Indirect Investors with a current version of this PDS as provided by Equity Trustees or to withdraw the PDS from circulation if required by Equity Trustees.

Please ask your adviser if you have any questions about investing in the Retail Class (either directly or indirectly through an IDPS).

This PDS is prepared for your general information only. It is not intended to be a recommendation by the Responsible Entity, Investment Manager, any associate, employee, agent or officer of the Responsible Entity, Investment Manager or any other person to invest in the Retail Class. This PDS does not take into account the investment objectives, financial situation or needs of any particular investor. You should not base your decision to invest in the Retail Class solely on the information in this PDS. You should consider whether the information in this PDS is appropriate for you, having

regard to your objectives, financial situation and needs and you may want to seek professional financial advice before making an investment decision.

Equity Trustees, the Investment Manager and their employees, associates, agents or officers do not guarantee the success, repayment of capital or any rate of return on income or capital or the investment performance of the Retail Class. Past performance is no indication of future performance. An investment in the Retail Class does not represent a deposit with or a liability of Equity Trustees, the Investment Manager or any of their associates. An investment is subject to investment risk, including possible delays in repayment and loss of income or capital invested. Units in the Retail Class are offered and issued by the Responsible Entity on the terms and conditions described in this PDS. You should read this PDS in its entirety because you will become bound by it if you become a direct investor in the Retail Class.

In considering whether to invest in the Retail Class, investors should consider the risk factors that could affect the financial performance of the Retail Class. Some of the risk factors affecting the Retail Class are summarised in Section 6.

The offer to which this PDS relates is not an offer in a jurisdiction in which the offer would not be permitted.

This PDS does not constitute a direct or indirect offer of securities in the US or to any US Person as defined in Regulation S under the US Securities Act of 1933 as amended (“US Securities Act”). Equity Trustees may vary its position and offers may be accepted on merit at Equity Trustees’ discretion. The units in the Retail Class have not been, and will not be, registered under the US Securities Act unless otherwise determined by Equity Trustees and may not be offered or sold in the US to, or for, the account of any US Person (as defined) except in a transaction that is exempt from the registration requirements of the US Securities Act and applicable US state securities laws.

If you received this PDS electronically, you will need to print and read this document in its entirety. We will provide a paper copy free upon request during the life of this PDS. The PDS is available at [www.paccapital.com.au](http://www.paccapital.com.au) or you can request a copy free of charge by calling PAC Capital on +612 9231 8630.

Certain information in this PDS that is not materially adverse information is subject to change from time to time. We may update this information. You can obtain the updated information:

- by contacting PAC Capital on +612 9231 8630; or
- by visiting the PAC Capital website at [www.paccapital.com.au](http://www.paccapital.com.au).

A paper copy of the updated information, or an electronic copy, will be provided free of charge on request.

You may also contact Equity Trustees:

- by writing to GPO Box 2307 Melbourne VIC 3001; or
- by calling +613 8623 5000.

Unless otherwise stated, all fees quoted in the PDS are inclusive of GST, after allowing for an estimate for Reduced Input Tax Credits (“RITC”). All amounts are in Australian dollars unless otherwise specified. All references to legislation are to Australian law unless otherwise specified.

# 1.PAC Global Innovation Fund - Retail Class at a glance

	Summary	For further information
<i>Name of the Retail Class</i>	PAC Global Innovation Fund - Retail Class	
<i>APIR Code</i>	ETL7700AU	
<i>ARSN</i>	652 244 365	
<i>Retail Class structure</i>	The Retail Class is wholly invested in an unregistered hedge fund domiciled in Australia, the PAC Global Innovation Fund ("Underlying Fund"). The Retail Class itself does not undertake any direct investing.	Section 5.3
<i>Investment objective</i>	The Underlying Fund aims to achieve positive returns in excess of the Absolute Benchmark, before fees and expenses, over the long term by taking both long and short positions in global shares.	Section 5.1
<i>Retail Class and Underlying Fund Benchmark</i>	Reserve Bank of Australia (RBA) cash rate	Section 5
<i>Investment strategy</i>	<p>The Underlying Fund uniquely blends fundamental and quantitative strategies to develop opportunities to generate Alpha.</p> <p>The Underlying Fund's investment strategy is a global equity long/short strategy with the typical asset classes held by the Underlying Fund being cash and cash equivalent instruments, global listed shares and other equity-like securities and exchange traded derivatives.</p> <p>Investment strategies within the equity long/short discipline involve buying and/or selling a security or financial instrument believed to be significantly under or over-priced by the market in relation to its potential value. Investment strategies within this discipline include long and short equity that emphasize a fundamental valuation framework and equity active value strategies where an active role is taken to enhance corporate value.</p> <p>Please refer to Section 5.2 for further information relating to the investment strategy of the Underlying Fund.</p>	Section 5
<i>The type(s) of investor(s) for whom the Retail Class would be suitable</i>	Long-term investors seeking exposure to a global equity long/short investment strategy with a high level of risk	Section 5
<i>Recommended investment timeframe</i>	At least 5 years.	Section 5
<i>Minimum initial investment</i>	\$1,000 or such other amount as the Responsible Entity determines from time to time	Section 7
<i>Minimum additional investment</i>	\$100 or such other amount as the Responsible Entity determines from time to time	Section 7
<i>Minimum withdrawal amount</i>	\$100 or such other amount as the Responsible Entity determines from time to time	Section 7
<i>Minimum balance</i>	\$500 or such other amount as the Responsible Entity determines from time to time	Section 7
<i>Cut off time for applications and withdrawals</i>	Generally 2pm (Sydney) each Friday	Section 7
<i>Valuation frequency</i>	The assets of the Retail Class are valued weekly.	Section 7
<i>Applications</i>	Weekly	Section 7
<i>Withdrawals</i>	Weekly	Section 7
<i>Income distribution</i>	The Retail Class will generally distribute its available income annually as at 30 June.	Section 7
<i>Management fees and costs</i>	1.14% p.a. of the Net Asset Value ("NAV") of the Retail Class (including GST less RITCs)	Section 9
<i>Entry fee/exit fee</i>	Nil	Section 9
<i>Buy/Sell spread</i>	+/- 0.25% on applications into the Retail Class, and withdrawals out of the Retail Class.	Section 9
<i>Performance fee</i>	A 20.05% performance fee (inclusive of GST) of the excess of the investment performance of the Retail Class (after management fees) over the Absolute Benchmark (RBA Cash Rate), if any, is payable to the Investment Manager.	Section 9

## 2.ASIC Benchmarks

The PAC Capital Fund (being the registered managed investment scheme of which the Retail Class forms a class of units) is a 'fund of hedge funds' for the purposes of Australian Securities and Investments Commission ("ASIC") Regulatory Guide 240 ("RG 240"), given at least 35% of the PAC Capital Fund's assets are invested in hedge funds. The following table and the tables in Sections 1 and 3 set out a summary of the disclosure ASIC requires for fund of hedge funds, the key features of the Retail Class and Underlying Fund and a guide to where more detailed information can be found in this PDS. A copy of RG 240 dated October 2013 (as may be amended, supplemented or replaced from time to time) is available from [www.asic.gov.au](http://www.asic.gov.au).

The information summarised in the relevant tables and explained in detail in the identified section reference is intended to assist investors with analysing the risks of investing in the Retail Class. Investors should consider this information together with the detailed explanation of various benchmarks and principles referenced throughout this PDS and the key risks of investing in the Retail Class highlighted in Section 6 of this PDS.

ASIC Benchmark	Is the benchmark satisfied?	Summary	For further information
<b>Benchmark 1: Valuation of assets</b>			
This benchmark addresses whether valuations of the Retail Class' non-exchange traded assets are provided by an independent administrator or an independent valuation service provider.	Yes	<p>Equity Trustees has appointed an independent administrator, Apex Fund Services (Australia) Pty Ltd ("Administrator"), to provide administration services for the Retail Class, including NAV calculation services.</p> <p>The Retail Class satisfies Benchmark 1 by having its non-exchange traded assets independently valued by the Administrator in accordance with its pricing policy.</p> <p>Equity Trustees does not have a specific policy on the use of independent fund administrators or valuation service providers by managers of underlying funds.</p>	Section 5
<b>Benchmark 2: Periodic reporting</b>			
This benchmark addresses whether the responsible entity of the PAC Capital Fund will provide periodic disclosure of certain key information specified by ASIC on an annual and monthly basis.	Yes	The Responsible Entity will provide periodic disclosure of certain key information in relation to the Retail Class and the Underlying Fund on an annual and monthly basis (which will be available on PAC Capital's website).	Section 8

### 3.ASIC disclosure principles

	Summary	Section (for further information)
<i>Investment strategy</i>	<p>The Retail Class' investment strategy is to generate investment returns in excess of the Absolute Benchmark over the long term by investing in the Underlying Fund. The Underlying Fund's investment strategy is to generate investment returns in excess of the Absolute Benchmark by taking both long positions and short positions in selected global listed shares.</p> <p>This is a global equity long/short strategy with the typical asset classes held by the Underlying Fund being cash and cash equivalent instruments, global listed shares and other equity-like securities and exchange traded derivatives. The Underlying Fund may have between 90% and 150% of its NAV invested in long positions and 0% to 50% of its NAV invested in short positions.</p> <p>Further details regarding the investment strategy of the Underlying Fund, including among other things, the diversification guidelines for the Underlying Fund, are set out in Section 5.2. The specific risks of investing in the Retail Class and key dependencies and assumptions of the investment strategy of the Underlying Fund are described in Section 6.</p>	Section 5.2
<i>Investment manager</i>	<p>Equity Trustees Limited, as responsible entity of the PAC Capital Fund, has appointed PAC Capital Pty Ltd as the investment manager of the PAC Capital Fund.</p> <p>Under the Investment Management Agreement between the Investment Manager and Equity Trustees, Equity Trustees can terminate the Investment Manager's appointment where the Investment Manager becomes insolvent, materially breaches the agreement, ceases to carry on its business or in certain other circumstances. In the event that Equity Trustees terminates the Investment Manager following one of these events, the Investment Manager's appointment would cease upon any termination date specified in the notice, and the Investment Manager would be entitled to receive fees in accordance with the agreement until the effective date of termination.</p>	Section 4
<i>PAC Capital Fund structure</i>	<p>The PAC Capital Fund is an Australian unit trust registered under the Corporations Act as a managed investment scheme.</p> <p>The responsible entity of the PAC Capital Fund is Equity Trustees Limited. Equity Trustees Limited may appoint service providers to assist in the ongoing operation, management, and administration of the PAC Capital Fund.</p> <p>The Retail Class is a class of the PAC Capital Fund which invests in Australian dollar denominated units of the PAC Global Innovation Fund ("Underlying Fund"), an unregistered hedge fund domiciled in Australia. The trustee of the Underlying Fund is Boutique Capital Pty Ltd ("Boutique Capital").</p> <p>The key service providers to the PAC Capital Fund are:</p> <ul style="list-style-type: none"> <li>• PAC Capital Pty Ltd, the investment manager of the PAC Capital Fund;</li> <li>• Apex Fund Services (Australia) Pty Ltd, the administrator of the assets of the PAC Capital Fund; and</li> <li>• Sandhurst Trustees Limited, the custodian of the assets of the PAC Capital Fund.</li> </ul> <p>See Section 5.3 for further information on other key service providers, and Equity Trustees' role in monitoring the performance of service providers.</p>	Section 5.3
<i>Valuation, location and custody of assets</i>	<p>Apex Fund Services (Australia) Pty Ltd is the administrator of the PAC Capital Fund and provides administrative, accounting, registry, and transfer agency services. The Administrator is responsible for calculating the NAV of the Retail Class.</p> <p>Sandhurst Trustees Limited is the custodian and provides custodial services.</p> <p>See Section 5.4 for further information on the Underlying Fund.</p>	Section 5.4
<i>Liquidity</i>	<p>The Responsible Entity aims to maintain sufficient liquidity to support weekly withdrawals. The Responsible Entity reasonably expects to realise at least 80% of the PAC Capital Fund's assets, at the value ascribed to those assets in calculating the NAV, within 10 days.</p>	Section 5.5
<i>Leverage</i>	<p>The Underlying Fund may borrow and invest in ways that result in leverage and magnifies any losses as well as any returns for the Underlying Fund.</p>	Section 5.6

	Summary	Section (for further information)
<i>Derivatives</i>	The Underlying Fund itself may use derivatives such as options, futures, forward currency contracts, and swaps for portfolio management purposes. For key risks to the Underlying Fund associated with the collateral requirements of the derivative counterparties, please see Section 6.	Section 5.7
<i>Short selling</i>	The Underlying Fund may short sell securities for portfolio management purposes. The risks associated with short selling and the ways in which the investment manager of the Underlying Fund seeks to mitigate those risks are set out in Section 6.	Section 5.8
<i>Withdrawals</i>	Weekly. Withdrawal requests must generally be received by 2pm on Friday to receive that week's unit price. See Section 7 for more information on making a withdrawal.	Section 7



## 4. Who is Managing the PAC Global Innovation Fund - Retail Class?

### The Responsible Entity

#### Equity Trustees Limited

Equity Trustees Limited ABN 46 004 031 298 AFSL 240975, a subsidiary of EQT Holdings Limited ABN 22 607 797 615, which is a public company listed on the Australian Securities Exchange (ASX: EQT), is the PAC Capital Fund's responsible entity and issuer of this PDS. Established as a trustee and executorial service provider by a special Act of the Victorian Parliament in 1888, today Equity Trustees is a dynamic financial services institution which continues to grow the breadth and quality of products and services on offer.

Equity Trustees' responsibilities and obligations as the PAC Capital Fund's responsible entity are governed by the PAC Capital Fund's constitution ("Constitution"), the Corporations Act and general trust law. Equity Trustees has appointed PAC Capital Pty Ltd as the investment manager of the PAC Capital Fund. Equity Trustees has appointed a custodian to hold the assets of the PAC Capital Fund. The custodian has no supervisory role in relation to the operation of the PAC Capital Fund and is not responsible for protecting your interests.

From an investor's perspective the trustee of the Underlying Fund considers that there are no unusual or materially onerous terms in the investment management agreement between Boutique Capital and PAC Capital, which provides for the investment management of the Underlying Fund's assets by PAC Capital. As trustee of the Underlying Fund, Boutique Capital has the ability to terminate PAC Capital as the manager of the Underlying Fund if PAC Capital is in default under the investment management agreement between Boutique Capital and PAC Capital. Boutique Capital may immediately terminate the agreement with PAC Capital if PAC Capital goes into liquidation or materially breaches any provisions of the agreement. There are no termination fees payable between Boutique Capital and PAC Capital in the event the investment management agreement is terminated. Secondly there is no minimum term in the investment management agreement. PAC Capital can terminate Boutique Capital as trustee of the Underlying Fund at any time if it is not meeting PAC Capital's expectations.

### The Investment Manager

#### PAC Capital

PAC Capital was founded in 2018 by Managing Director and Chief Investment Officer Clayton Larcombe. Initially, PAC Capital was established as a private wealth advisory for a small number of families, and soon thereafter began managing diversified portfolios for financial advisers and direct investors.

PAC Capital is a Sydney based investment adviser. It is an authorised representative of PWM Financial Services Pty Ltd, which holds Australian financial services license number 226143.

There have been no significant adverse regulatory findings against the Investment Manager.

#### Clayton Larcombe – Chief Investment Officer

Clayton has spent his working career in financial services, initially as a trader for Morgan Stanley and J.P. Morgan in Hong Kong, and most recently as an equity adviser at Ord Minnett in Australia.

In addition to the day-to-day management of the business, Clayton heads up the Investment Committee which meets monthly to review investment decisions and portfolio allocations.

Clayton specialises in macro global asset allocations and is responsible for reviewing PAC Capital's specific positions and for fund manager and stock-specific analysis.

As Chief Investment Officer of PAC Capital, Clayton allocates his investment time between the Multi-Asset and Hedge Fund teams evenly, 50% per team.

Clayton holds a Bachelor of Economics from the University of Sydney, Superannuation Accreditation from the Stockbrokers Association of Australia and a Diploma in Stockbroking from Deakin Prime. Clayton also holds many trading licenses around the ASEAN region.

#### Sebastian Lander

Sebastian brings experience and depth to the PAC investment team. Sebastian began his career at Schroders in London in the Multi Asset team. Sebastian then moved across trading and senior analyst roles to become Portfolio Manager in Sydney at Julliard Financial Services. Most recently Sebastian was a senior analyst at Lonsec and in the Multi Asset, Fixed Income and Alternatives ratings teams.

With such experience Sebastian is a senior member of the leadership team at PAC Capital. Sebastian allocates an even split of 50/50 of his time to implementing the Hedge Fund and Multi Asset strategies. Sebastian holds a First Class Honours Degree in Finance & Accounting with Professional Development from Brunel University, London.

#### Max Lim

As an analyst with a quantitative background, Max brings diversity to the investment team at PAC Capital by providing a unique insight to the analytical work.

Max joined PAC Capital after years at Prodigal Quantitative funds. Max brings fundamental experience and asset allocation expertise from My Plan Financial.

Max allocates an even split of 50/50 of his time to implementing the Hedge Fund and Multi Asset strategies.

Max has a Bachelor of Commerce and a Bachelor of Laws from the University of Sydney.

There have been no significant adverse regulatory findings against any of the individuals listed above.

The Hedge Fund team works across 2 strategies, esports and innovation, as the strategies overlap. The same investment process is employed in different sectors. 100% of each investment team's time is spent executing their relevant strategy.

The Retail Class invests in the Underlying Fund, of which Boutique Capital is the trustee and custodian. Boutique Capital has the ability to terminate PAC Capital's appointment as investment manager for the Underlying Fund.

The name of the Investment Manager (PAC) is an acronym for Persistence, Ambition, and Consistency; which are three qualities that define its approach to investing and, more generally, business:

- Persistence – History has shown a key ingredient of compounding wealth over time is persisting with a long-term investment strategy. However, this is especially difficult as financial markets can be incredibly volatile in the short-term. PAC Capital believes long-term investing requires a focus on economic and business fundamentals, and to associate price volatility with investment opportunity rather than risk.
- Ambition – PAC Capital sets ambitious goals for its clients and itself. To achieve these goals, it leverages its 'investment psychology', that is: a willingness to learn from the past, and an obsession with financial markets. PAC Capital believes this combination of self-improvement, humility and passion are essential for success.
- Consistency – PAC Capital's investment approach is also defined by consistently applying several reliable principals, such as: (i) economic and business fundamentals drive long term investment performance; (ii) investing with a sufficient margin of safety protects a portfolio from unforeseen risks; and (iii) a portfolio should comprise of a concentrated selection of our best ideas.

From an investor's perspective, the Responsible Entity considers that there are no unusual or materially onerous terms in the investment management agreement between the Responsible Entity and Investment Manager.

### **The Administrator**

#### **Apex Fund Services (Australia) Pty Ltd**

The Responsible Entity has appointed Apex Fund Services (Australia) Pty Ltd to act as administrator for the PAC Capital Fund. In this capacity, the Administrator performs all general administrative tasks for the Fund, including keeping financial books and records and calculating the Net Asset Value of the Retail Class.

The Responsible Entity has entered into an administration agreement with the Administrator, which governs the services that will be provided by the Administrator.

The Responsible Entity may, at any time, in consultation with the Investment Manager, select any other administrator to serve as administrator to the PAC Capital Fund.

### **The Custodian**

#### **Sandhurst Trustees Limited**

The Responsible Entity has appointed Sandhurst Trustees Limited to act as the custodian with respect to the PAC Capital Fund's assets. The Responsible Entity may at any time, in consultation with the Investment Manager, select another provider to serve as custodian to the PAC Capital Fund.



## 5. How the PAC Global Innovation Fund - Retail Class invests

### 5.1 Investment Objective

The Retail Class is invested in the Underlying Fund. The Retail Class aims to achieve positive returns in excess of the Absolute Benchmark, before fees and expenses, over the long term by investing in the Underlying Fund. The Underlying Fund aims to achieve positive returns in excess of the Absolute Benchmark, before fees and expenses, over the long term by taking both long and short positions in global shares.

### 5.2. Investment Strategy

The Retail Class invests in the Underlying Fund. This is the only investment of the Retail Class with no other investments. The Underlying Fund and Retail Class share the same strategy. PAC Capital is the Retail Class investment manager and also the Underlying Fund investment manager. It is responsible for managing the Underlying Fund's asset allocation, and re-balancing the Underlying Fund's allocations to various asset classes and investment strategies.

The Retail Class invests in the Underlying Fund which is a high conviction, concentrated portfolio of companies the Investment Manager believes to be the highest quality innovative companies around the world. These companies are typically characterised by a combination of disruptive products or services, explosive growth, high customer loyalty and unique business models. Currently, these companies primarily reside in the fastest growing parts of the economy, such as: (i) cyber security; (ii) clean energy; (iii) electric vehicles; (iv) blockchain, and (v) artificial intelligence. These sectors frequently change as innovative companies progress through their respective life cycles from inception to maturity.

The Underlying Fund's investment strategy is a global equity long/short strategy that typically invests in cash and cash equivalent instruments, global listed shares and other equity-like securities and exchange traded derivatives.

Investment strategies within the equity long/short discipline involve buying and/or selling a security or financial instrument believed to be significantly under or over-priced by the market in relation to its potential value.

When managers utilize this strategy, they typically employ fundamental analysis, which evaluates the underlying determinants that affect the price of securities. Factors within such an analysis include both microeconomic and macroeconomic variables that can influence the price of a given security or set of securities. Many investment strategies within this discipline will incorporate elements of both fundamental and technical analysis. Technical analysis looks at the price movement of a security and uses this data to attempt to predict future price movements. Fundamental analysis instead looks at economic and financial factors that influence a business.

PAC Capital employs a sophisticated set of financial tools to analyse the vast array of information available in investment markets. Investment decisions are then taken to the next level by employing a team of dedicated investment professionals to seek out information not reflected in market pricing and identify superior investment opportunities.

This investment process can be categorised into two broad styles of investing – quantitative and fundamental. The strength of quantitative investing is the breadth of information that captures and enables a transparent and objective assessment of a company's relative prospects. The advantage of the fundamental approach is the level of detail that can be gathered on a particular company and level of investment insight that can be obtained from a detailed knowledge of a company's operations.

The quantitative process is designed to exploit particular behavioural biases that are exhibited by investors and can be explicitly measured through precisely defined factors. These factors generally fall into

the categories of either value or momentum and can be implemented through bottom-up research or top-down research. The top-down approach to investing focuses on the big picture, or how the overall economy and macroeconomic factors drive the markets and, ultimately, stock prices. It also looks at the performance of sectors or industries.

The bottom-up approach examines the fundamentals of a stock. This looks at the individual companies in a sector. Based on individual company analysis PAC Capital decides which companies will perform well over time, based on such determinants as the company's management team, low price to earnings ratios and earnings growth potential.

The benefit of a quantitative process is that it enables a large number of stocks to be compared quickly and efficiently in an unbiased fashion. It provides an enormous amount of breadth to the investment process and enables a company's likely outperformance to be assessed in an objective manner. PAC Capital has developed both stock specific and macro-based quantitative models.

The fundamental process reflects the roots of PAC Capital as an investment house focused on detailed company research. The advantage of this style is that a significant amount of detail on a company can be unearthed and used to generate insights into its future prospects and likely investment returns. PAC Capital has a team of highly qualified and experienced investment analysts who conduct specialised research in various sectors of the equity market. They use their detailed knowledge of these sectors to construct detailed financial models that can be used to identify companies with superior investment prospects.

PAC Capital has developed a specialised process for the Underlying Fund that creates a fusion of quantitative and fundamental investment philosophies. This allows it to take advantage of a long/short investment style while harnessing the benefits of high conviction research.

The specific risks associated with the investment strategy are set out in Section 6.

#### Investment guidelines

The assets of the Underlying Fund will generally be invested in accordance with the following guidelines:

- The Underlying Fund aims to invest in a portfolio of securities that are listed.
- The Underlying Fund may have between 90% and 150% of its NAV invested in long positions
- The Underlying Fund may have between 0% and 50% of its NAV invested in short positions
- The Underlying Fund's net exposure to securities will range between 90% and 100% of its NAV
- The Underlying Fund aims to hold no more than 10% of its NAV in cash
- The Underlying Fund is permitted to use derivatives. Derivatives are used for hedging purposes only rather than to leverage the Underlying Fund. All derivatives used will be exchange traded and covered by cash, physical securities or a combination of both. Futures may be used to maintain market exposure when cash is held in the Underlying Fund.

100% of the Retail Class will be invested in the Underlying Fund.

Due to movements in the market or similar events, the guidelines set out above may not be adhered to from time to time. In these circumstances, the Investment Manager of the Underlying Fund will seek to bring the Underlying Fund's investments back within the guidelines within a reasonable period of time.

#### Change in investment strategy

The Investment Manager of the Underlying Fund reserves the right to change its investment strategy from time to time. Any changes to the investment strategy will be notified to investors in accordance with the law.

### 5.3. Retail Class Structure

The Retail Class is a class of the PAC Capital Fund which is an Australian managed investment scheme. The PAC Capital Fund is a registered scheme and regulated under the Corporations Act. Equity Trustees is the responsible entity of the Retail Class.

The Retail Class invests in Australian dollar denominated units of the PAC Global Innovation Fund ("Underlying Fund"), an unregistered hedge fund domiciled in Australia. The trustee of the Underlying Fund is Boutique Capital Pty Ltd. The Underlying Fund holds all investments, which may include cash and cash equivalent instruments, global listed shares and other equity like securities and exchange traded derivatives.

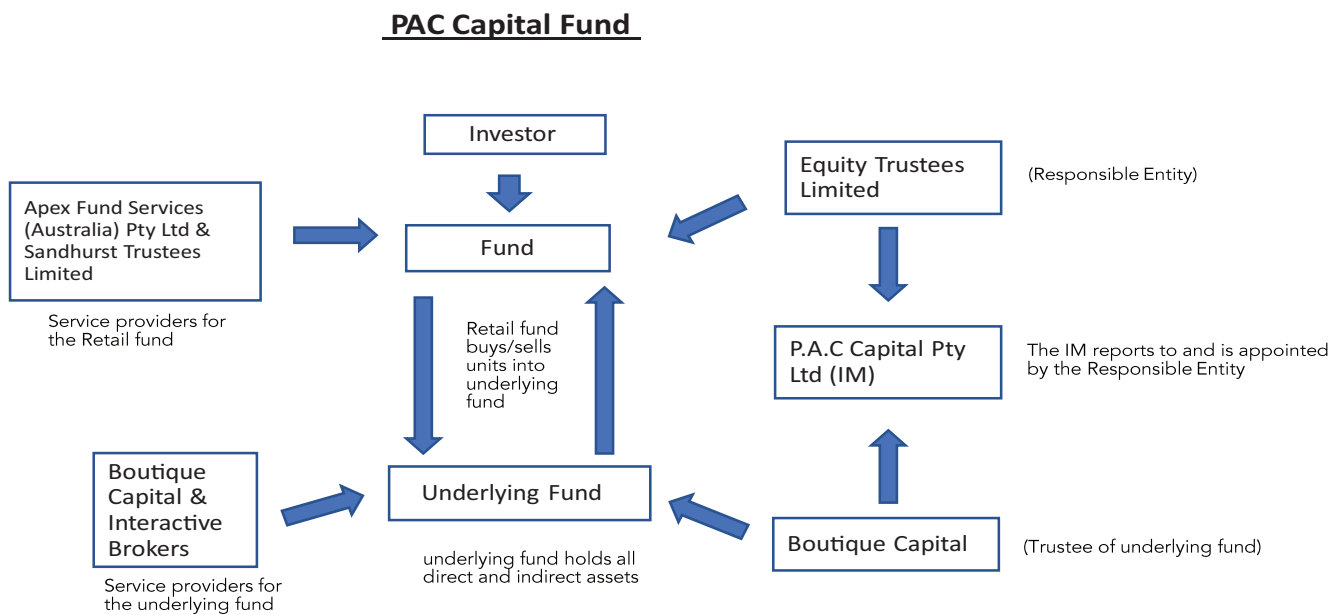
The Underlying Fund holds direct investments, which may include local and international fixed interest investments, property, equities, futures or options. The assets of the Underlying Fund may be

domiciled in various jurisdictions, including, without limitation, Australia, Bermuda, the British Virgin Islands, the Cayman Islands, the Channel Islands, the Grand Duchy of Luxembourg, the Republic of Ireland, or the United States.

Risks of international investing include adverse currency fluctuations, potential political and economic instability, limited liquidity and volatility of international investments, limited availability of information regarding international investments, investment and repatriation restrictions and foreign taxation.

The specific risks associated with this structure are outlined in Section 6. In this section you will find information in detail about investment, economic and financial risks. These include commodity risk, company specific risk, credit risk, currency risk, derivatives risk, inflation risk, interest rate risk, liquidity risk, market risk, pandemic risk, sector risk, taxation risk, regulatory risk, short selling, liquidity, and leverage risks.

The service providers and their relationships to the Retail Class and the flow of funds through the Retail Class are shown in the diagram below.



As at the date of this PDS, the Responsible Entity has appointed the following service providers for the Retail Class:

- Investment Manager: PAC Capital Pty Ltd who is an authorised representative of PWM Financial Services Pty Ltd. The entities are both located in Sydney. See Section 4 for a description of the Investment Manager's role
- Custodian: Sandhurst Trustees Limited. The service provider is located in Melbourne.
- Administrator: Apex Fund Services (Australia) Pty Ltd. The service provider is located in Sydney.
- Auditor: KPMG has been appointed to perform the audit services for the Retail Class. In addition, KPMG will act as the tax agent for the Retail Class. KPMG is located in Sydney.

The service providers engaged by the Responsible Entity may change without notice to investors.

The Responsible Entity has entered into service agreements with the service providers. The Responsible Entity will regularly monitor the performance of the Investment Manager against the service standards set out in the IMA. The Responsible Entity will, with the assistance of the Investment Manager, regularly monitor the performance of all other service providers against the service standards set out in the relevant agreements. All service agreements are on arm's lengths terms.

None of the Responsible Entity, the Investment Manager, the Custodian or Administrator are related parties.

The Retail Class holds a portfolio of interests in the Underlying Fund. As at the date of the PDS, the trustee of the Underlying Fund has appointed the following services providers for the Underlying Fund:

- Custodian: Boutique Capital Pty Ltd. The service provider is located in Sydney,
- Administrator: Boutique Capital Pty Ltd. The service provider is located in Sydney,
- Prime Broker: Interactive Brokers have been appointed to provide prime brokerage services, including margin financing and stock lending with respect to the securities of the Underlying Fund. Interactive Brokers are located in Hong Kong
- Auditor: Although the Underlying Fund does not have an auditor appointment, the Responsible Entity has engaged KPMG to complete the audit function for the Retail Class which will in turn perform a look through audit of the assets of the Underlying Fund. KPMG is located in Sydney.

The service providers engaged by the Underlying Fund may change without notice to investors. The Responsible Entity does not have a specific policy on the due diligence conducted by it on the service providers of the Underlying Fund.

The arrangements between the Underlying Fund and its service providers are on arm's length terms.

While the trustee, custodian and administrator of the Underlying Fund are the same entity, it is unrelated to the Investment Manager.

All costs and expenses for the Retail Class and the Underlying Fund are included in the fees and costs section. Please refer to Section 9 for further information.

#### 5.4. Valuation, location and custody of assets

For the Retail Class, valuation is independent of the Responsible Entity and the Investment Manager. Assets are held by the Custodian. For the Underlying Fund, the valuation rules are generally independent of the Underlying Fund manager, with interests in the Underlying Fund valued by the administrator of the Underlying Fund. The assets of the Underlying Fund can be located anywhere in the world. Equity Trustees and PAC Capital do not have a policy about the geographic location of any underlying funds, their managers or the geographic focus of their investing.

The Responsible Entity does not have a specific policy in relation to the use of an independent fund administrator or valuation service provider by the Underlying Fund. The Responsible Entity does not have a specific policy in relation to the custodial arrangements of the Underlying Fund.

Apex Fund Services (Australia) Pty Ltd is the administrator of the PAC Capital Fund and provides administrative, accounting, registry, and transfer agency services. The Administrator is responsible for calculating the NAV of the Retail Class. Sandhurst Trustees Limited is the custodian and provides custodial services.

The value of the investments of the Retail Class is generally determined weekly. The value of a unit is determined by the Net Asset Value (NAV). This is calculated by deducting from the gross value of the Retail Class assets the value of the liabilities of the Retail Class. The NAV of the Underlying Fund will be determined by the administrator of the Underlying Fund on the basis of the prevailing prices at the close of business of the markets on a weekly basis in conjunction with the pricing day of the Underlying Fund. Generally, investments will be valued at their market value but other valuation methods and policies may be applied if appropriate or if otherwise required by law or applicable accounting standards. The application price of a unit in the Retail Class is based on the NAV of the Retail Class divided by the number of units on issue in the Retail Class. The application price also includes an allowance for transaction costs required for buying investments when an investor acquires units.

Asset Class	Custodian	Location of Custodian	Location of Assets	Allocation range
Cash and cash equivalents	Sandhurst	Melbourne	Melbourne	0%*
Units in the Underlying Fund	Sandhurst	Melbourne	Melbourne	100%

\*The Retail Class will only hold cash on a temporary basis in the event that application funds are received from investors and when redemption proceeds are transferred into the Retail Class from the Underlying Fund.

The Underlying Fund holds a portfolio of listed and unlisted investments across various asset classes with an exposure to local and international fixed interest investments, property, equities, futures, options and alternative assets as well as cash. The Underlying Fund's investments may include direct investments as well as investments in managed investment schemes, special

purpose investment vehicles or other investment vehicles managed by third-party or affiliated investment managers. The assets are held by the custodian of the Underlying Fund, with sub-custodians located globally.

#### 5.5. Liquidity

The Retail Class is designed to offer weekly liquidity during normal conditions. PAC Capital believes a key pillar of successful investing is maintaining sufficient liquidity. Maintaining sufficient liquidity enables opportunistic decision making, protects the Retail Class from forced liquidations during market corrections and allows PAC Capital to service the cash flow needs of investors. The Responsible Entity does not have an investment policy in relation to the liquidity of underlying funds.

The majority of assets currently traded and held by the Underlying Fund are liquid. By liquid we mean, assets can be bought and sold in a reasonable time frame and not cause significant fluctuations to the price of the asset. In recognition of ASICs "Regulatory Guide 240 Hedge Funds: Improving disclosure", the Responsible Entity and Investment Manager expect that the PAC Capital Fund will be able to realise at least 80% of the PAC Capital Fund's assets, at the value ascribed to those assets in the most recent calculation of NAV, within 10 days.

It is unlikely that liquidity issues will result from withdrawal requests. Generally, it is the Investment Manager's policy to ensure that the Underlying Fund remains liquid. However, the Responsible Entity may deny a withdrawal request and there are certain circumstances in which the Responsible Entity can suspend consideration of a withdrawal request. Please refer to Sections 5.9 and 7 for more information.

Liquidity risks are outlined in Section 6.

#### 5.6. Leverage

The Retail Class does not employ leverage.

The Retail Class may gain leveraged exposure through its investment in the Underlying Fund. Leverage may increase the volatility of the Underlying Fund's unit price by potentially magnifying gains and losses from the Underlying Fund's investments. The value and liabilities associated with leveraged investment strategies can be more variable than traditional investments and there may be greater exposure to possible losses. Accordingly, a leveraged fund may be regarded as having a higher risk profile than a comparable fund which has no leverage. Equity Trustees does not have an investment policy in relation to acceptable types of leverage used by the Underlying Fund.

The maximum net exposure of the Underlying Fund is 1.5x and maximum gross exposure of the Underlying Fund is 3x. The level of gross exposure is a product of the number of positions held and the size of those positions. The gross exposure of the Underlying Fund is anticipated to be between 150-300%.

As an example of how leverage works in the Underlying Fund:

The following is a simplified worked example and ignores general account fees and the like. If the Underlying Fund were to utilise \$100 of its cash to purchase \$100 worth of investments and does not use leverage, its net and gross position is equal. If the value of the Underlying Fund's investments increase by 10%, the gain is \$10 on a net and gross basis and results in a net realisable value of \$110.

If the Underlying Fund gears its original \$100 by short selling to the maximum (300% gross, 150% net) it will have a gross invested position of \$300. This \$300 gross exposure would consist of:

- \$225 – Long investments
- \$75 – Short investments



If the value of all investments increases simultaneously in value by 10%, the gross value would be \$330. On a gross basis the increase is \$30 and on a net basis the gain is \$15. Hence the net return on the \$100 invested by the Underlying Fund is 15% and results in a net realisable value of \$115.

Conversely, if the value of all investments decreases simultaneously by 10%, the gross value would be \$270. On a gross basis the decrease is \$30 and on a net basis the decline is \$15. Hence the net return on the \$100 invested by the Underlying Fund is -15% and results in a net realisable value of \$85. As demonstrated, the use of leverage increases the size of any potential gains or losses.

Please note that the above example has been provided for reference purposes only. Any assumptions underlying these examples are hypothetical only

The Retail Class has no limits or restrictions on the level of leverage the Underlying Fund may take.

It is important to note that whilst a short position can often reduce risk, it is also possible for the Underlying Fund's long positions and short positions to both lose money over time.

## 5.7. Derivatives

Derivatives are used infrequently by the Underlying Fund and are exchange traded. The most common derivatives used are futures and options on shares. Risks associated with derivatives may include adverse movements in the physical asset or benchmark underlying the derivative, potential illiquidity of the derivative, the Underlying Fund being unable to meet payment obligations as they arise and the counterparty to any derivative contract not being able to meet its obligations under the contract.

In the Underlying Fund, derivatives will only be used for hedging purposes rather than to leverage the Fund. All derivatives used will be covered by cash, physical securities or a combination of both. Futures may be used to maintain market exposure when cash is held in the Underlying Fund.

The Underlying Fund will seek to minimise counterparty risk in relation to derivatives by selecting counterparties that are considered appropriate for each derivatives transaction based on the creditworthiness of each counterparty and operational criteria. Counterparties are monitored on an ongoing basis to ensure they remain appropriate for the Underlying Fund.

There are no limits on exposures to derivatives the PAC Capital Fund will set for the Underlying Fund.

The Responsible Entity does not have a specific policy in relation to the use of derivatives by the Underlying Fund.

## 5.8. Short Selling

Short selling plays an important role in ensuring that securities are priced correctly relative to fundamentals. The Responsible Entity does not have an investment policy in relation to short selling at the Underlying Fund level.

Short selling can be used for speculation or hedging. Speculators use short selling to capitalize on a potential decline in a specific security or across the market as a whole. Hedgers use the strategy to protect gains or mitigate losses in a security or portfolio. Both strategies can be used by the Underlying Fund.

Short selling involves selling securities that may or may not be owned by the seller and then borrowing these securities for delivery to the purchaser with the obligation to replace the borrowed securities at a later date. A short sale involves the risk of a theoretically unlimited increase in the price of the particular investment sold short, which could result in the inability of the Underlying Fund (as the holder of the derivative) to cover the short position.

The Underlying Fund regularly engages in short selling in order to participate in this process, although in aggregate it is always net long assets. The Underlying Fund may have between 0% and 50% of its Net Asset Value invested in short positions. There is no specific level of short selling permitted at the Underlying Fund level.

In creating a short position, the Underlying Fund will borrow a security from a securities lender and sell it with the intention of repurchasing the security when the price of the security falls. If the price of the security rises, a loss is incurred which can be greater than the purchased value of the security if the price of the security continues to rise.

There is also the risk that the securities lender may recall a security that the Underlying Fund has borrowed at any time which means that the Underlying Fund may have to buy the security at an unfavourable price to meet its obligations. These risks can be managed by ensuring short positions are primarily in liquid securities rather than the small, low liquidity assets which are more regularly subject to price spikes and supply issues.

## 5.9. Withdrawals

The Retail Class is designed to facilitate weekly withdrawals.

The Retail Class through its investments in the Underlying Fund trades predominately in liquid financial instruments and therefore it is likely that withdrawal requests can be satisfied in virtually all market conditions. By liquid we mean, the asset is able to be bought or sold in a reasonable time frame without impacting the value of the asset or security. However, note that in exceptional circumstances the Responsible Entity has a right to suspend withdrawals. Such circumstances may include, but are not necessarily limited to:

- the receipt of a large volume of withdrawal requests;
- a severe breakdown in markets in which the Retail Class trades; and
- a credit event which impairs the short dated cash instruments held in custody.

In certain circumstances, such as when there is a suspension of withdrawals or where the proportion of liquid assets of the Retail Class falls below the specified thresholds under the Corporations Act, investors may not be able to withdraw their investments within the usual period or at all. In the unlikely event that material changes to withdrawal rights are made, investors will be notified via correspondence. Please see Section 7 for details of applications and withdrawals under normal circumstances, including how investors can exercise their withdrawal rights.

## 5.10. Suggested investment timeframe

The suggested minimum investment time frame for the Retail Class is at least 5 years.

## 5.11. Labour standards and environmental, social and ethical considerations

PAC Capital recognise the importance of labour standards and environmental, social or ethical considerations when Investing. PAC Capital believes that certain environmental, social and corporate governance ("ESG") issues may impact the sustainable value of businesses, although the Responsible and the trustee and manager of the Underlying Fund do not have regard to ESG considerations when investing and operating the Retail Class.

## 5.12. Retail Class performance

Up to date information on the performance of the Retail Class can be obtained from [www.paccapital.com.au](http://www.paccapital.com.au). A free of charge paper copy of the information will also be available on request.

### 5.13. Benefits of investing in the Retail Class

PAC Capital's investment objective is the long-term growth of your capital. PAC Capital aspires to deliver upon this value proposition for clients through:

- A Multidisciplinary Approach – PAC Capital manages multi-asset diversified funds, as well as listed and private global equity funds. This uniquely allows the investment team to derive and formulate their investment decisions from a wide range of perspectives.
- Incentive Alignment – PAC Capital's investment professionals are personally invested alongside their clients. PAC Capital views its funds from the perspective of both business owners and investment managers.
- Experienced Leadership – PAC Capital's investment professionals draw on over 25 years of collective experience to guide its decisions.
- Long-term Investing – Financial markets are often an unpredictable voting machine in the short term. PAC Capital prefers to focus on long-term thematic / structural shifts, where it believes fundamentals are ultimately reflected in stock prices.
- Emphasis on Communication – Regular, transparent, and informative communication seeks to ensure PAC Capital Funds are the most appropriate investment options to meet its clients' needs.
- Exposure to innovation – Innovative business models might include a new product, service, idea, production method, type of organisation or source of materials. For innovations to be successful they must be more than novel. They must generate significant, long-term, economic value. PAC Capital's investment process gives investors exposure to such business models.
- Exposure to growth – Innovative business models tend to be found among the fastest growing parts of the economy. Currently this includes but is not limited to: (i) cyber security; (ii) clean energy; (iii) electric vehicles; (iv) blockchain, and

(v) artificial intelligence. Yet, the sources of innovation are subject to change, as new ideas, products or industries move through their respective life cycles from introduction to maturity.

- Innovation is a catalyst for disruption – Innovation is commonly associated with creative disruption, the process whereby new and emerging firms threaten the position of existing firms by creating new and improved products, services, ideas, production methods, types of organisation or source of materials. By investing in such companies, the Underlying Fund aims to invest in companies that, by means of disruption, are taking, rather than losing, market share.
- Active approach to innovation – In recent years PAC Capital has seen the birth of sector focussed investment funds and passive Exchange Traded Funds (ETFs), that differentiate themselves by offering a single sector thematic strategy or what is termed a 'pure play' exposure to niche themes, including innovation themes. Constituents of passive ETFs are generally selected from a narrowly defined universe, then selected and weighted based on descriptive/functional characteristics such as market capitalisation and volume. PAC Capital believes this approach ignores the idiosyncratic fundamentals of individual companies, on the presumption that the market is the best reflection of a company's value at any given point in time (efficient market hypothesis). In contrast, PAC Capital's approach aims to identify companies with the best prospects for future growth, rather than those with strong historical performance.
- The best of emerging trends – Many passive innovation themed funds reference overall industry dynamics to support their diversified, pure-play products. PAC Capital contends that most of the value created in an emerging theme is generated by a select few companies with extraordinary competitive dynamics. Therefore, indiscriminately including all companies within a certain industry or theme will inevitably dilute the performance of the most successful companies. PAC Capital's approach aims to invest in only those most promising companies from a certain industry or theme.

## 6.Managing risk

All investments carry risks. Different investment strategies may carry different levels of risk, depending on the assets acquired under the strategy. Assets with the highest long-term returns may also carry the highest level of short-term risk. The significant risks below should be considered in light of your risk profile when deciding whether to invest in the Retail Class. Your risk profile will vary depending on a range of factors, including your age, the investment time frame (how long you wish to invest for), your other investments or assets and your risk tolerance.

The Responsible Entity and the Investment Manager do not guarantee the liquidity of the Retail Class' investments, repayment of capital or any rate of return or the Retail Class' investment performance. The value of the Retail Class' investments will vary. Returns are not guaranteed, and you may lose money by investing in the Retail Class. The level of returns will vary and future returns may differ from past returns. Laws affecting managed investment schemes may change in the future. The structure and administration of the Retail Class is also subject to change.

In addition, we do not offer advice that takes into account your personal financial situation, including advice about whether the Retail Class is suitable for your circumstances. If you require personal financial or taxation advice, you should contact a licensed financial adviser and/or taxation adviser.

We have summarised several important risks that may affect the Retail Class and/or Underlying Fund, and therefore the value of your investments, below:

### Investment, Economic and Financial

#### Commodity Risk

The risk that an investment's value will be adversely affected by fluctuations in the prices of commodities. This risk is directly relevant for investments in commodities and raw materials, and indirectly for businesses with operations fundamentally connected to an underlying commodity (i.e. mining, and agricultural companies).

#### Company Specific Risk (Idiosyncratic Risks)

The risk of adverse movements in the value of an individual security (i.e. the stock of a single company), or a group of securities (i.e. the stocks of companies within a sector). This risk can occur due to factors that are specific to a particular security, such as its: (i) competitive advantage; (ii) financial policy; (iii) corporate culture; and (iv) investment strategy. Importantly, unlike market risk, company specific risks can be mitigated via diversification and asset allocation.

#### Credit Risk

The risk that the issuer of a debt security is unable to satisfy its obligation under the terms of the security. These obligations include payment of interest or a dividend, or payment of principal upon maturity. A decline in credit quality of the issuer of a security could result in a capital loss being incurred on those securities. The most extreme form of credit risk is default or bankruptcy.

#### Currency Risk

The risk that an investment's value may decrease due to changes in the relative value of the relevant currencies. This risk primarily affects multinational companies that operate in overseas markets, and investments held overseas that are denominated in a currency other than the Australian dollar.

#### Derivative Risk

The risk of permanent capital impairment from the adverse movement in the value of a derivative security. A derivative is a financial security with a value that is derived from an underlying asset or group of assets (i.e. futures, options, and swaps). Derivatives are usually riskier securities because they: (i) are complex to understand

and price; (ii) may be subject to counterparty default; (iii) are usually leveraged securities, which amplifies market risks; and (iv) may become dislocated from their underlying asset (or group of assets) because of supply and demand.

#### Inflation Risk

The risk that inflation will undermine the real return of an investment, the value of an asset, or the purchasing power of a stream of income.

#### Interest Rate Risk

The risk that an investment's value may decline because of unexpected fluctuations in interest rates. This risk is mostly associated with fixed income assets (i.e. bonds), since the value of these securities are inversely related to movements in interest rates.

#### Market Risk (Systemic Risk)

The risk that an investment's value may decline due to factors that affect the overall performance of the financial markets. Factors that may cause market risk include: (i) geopolitical events (i.e. conflict); (ii) economic events (i.e. recession); (iii) environmental and humanitarian catastrophes; (iv) public sentiment (i.e. fear and greed); and (v) changes in interest rates. Since these factors are pervasive, market risk cannot be eliminated through diversification.

#### Multiple Unit Class Risk

The PAC Capital Fund offers separate classes of units for investment, such as the Retail Class. The classes in the PAC Capital Fund are not separate legal entities and the assets of each class will not be segregated. All of the assets of the PAC Capital Fund are available to meet all of its liabilities, regardless of the class to which such assets or liabilities are attributable. In practice, cross-class liability will usually only arise where any separate class becomes insolvent and is unable to meet all of its liabilities. In this case, all of the assets of the PAC Capital Fund attributable to other separate classes may be applied to cover the liabilities of the insolvent classes. If losses or liabilities are sustained by a class in excess of the assets attributable to such class, such excess may be apportioned to the other classes.

#### Pandemic and Other Unforeseen Event Risks

Health crises, such as pandemic and epidemic diseases, as well as other catastrophes that interrupt the expected course of events, such as natural disasters, war or civil disturbance, acts of terrorism, power outages and other unforeseeable and external events, and the public response to or fear of such diseases or events, have and may in the future have an adverse effect on the economies and financial markets either in specific countries or worldwide and consequently on the value of the Underlying Fund's investments. Further, under such circumstances the operations, including functions such as trading and valuation, of the investment manager of the Underlying Fund and other service providers could be reduced, delayed, suspended or otherwise disrupted.

#### Sector Risk

Refers to the risk that stocks of many companies in a particular sector will rise and fall simultaneously due to their higher degree of similarity. Thus, higher degrees of sector concentration may lead to higher levels of portfolio correlation. This in turn may increase the level of portfolio volatility and induce greater susceptibility to adverse exogenous events on overall portfolio performance. Although the Underlying Fund does not have a mandate to invest in any particular sector/s, innovative companies tend to be concentrated in certain sectors, including but not limited to, information technology and healthcare. As a result, the Underlying Fund may inadvertently be exposed to higher degrees of sector risk by focusing on certain sectors more so than others.



### **Liquidity risk**

There may be times when investments may not be readily sold (for example, in a falling market where some traded securities may become less liquid). Moreover, some securities may be thinly traded and there may not be sufficient market depth to facilitate the efficient realisation of those assets at all times. However, in the Investment Manager's opinion, trading volumes of investments are generally sufficient to satisfy liquidity requirements when necessary.

The Underlying Fund generally invests in highly liquid investments which are traded in an active market, and can be readily disposed of. The Investment Manager attempts to mitigate the liquidity risk factor by ensuring that the Underlying Fund has sufficient cash exposure to meet liquidity requirements. Note that neither the Responsible Entity nor the Investment Manager guarantees the liquidity of the Retail Class or Underlying Fund's investments.

### **Leverage risk**

The use of leverage by the Investment Manager may magnify any losses as well as any returns for the Underlying Fund. For example if the Underlying Fund was not leveraged, assuming that the Underlying Fund had \$100,000 available for investment, the Underlying Fund could acquire securities/positions with a value of \$100,000 and a ten per cent decrease in value would mean a loss of \$10,000, and a ten per cent increase in value would mean a gain of \$10,000 for the Underlying Fund. If the Underlying Fund was leveraged to twenty per cent it could acquire securities/positions (120% long and 20% short) to a value of \$140,000 and a ten per cent decrease in value would mean a loss of \$14,000, and a ten per cent increase in value would mean a gain of \$14,000 for the Underlying Fund.

### **Short sales risk**

Selling securities short involves selling securities that the Underlying Fund does not own. In order to make delivery to the purchaser of such securities, the Underlying Fund may borrow securities from a third party lender. The Underlying Fund subsequently must return the borrowed securities to the lender by delivering to the lender securities the Underlying Fund purchases in the open market. The Underlying Fund must generally pledge cash or other securities with the lender equal to or greater than the market price of the borrowed securities.

Accordingly, the Underlying Fund could, in theory, be exposed to an unlimited loss in the event of an unlimited increase in the market price of a borrowed security. Purchasing securities to close out the short position can itself cause the price of the securities to rise, thereby limiting profits or exacerbating losses. The risk also exists that the securities necessary to cover a short position will not be available for purchase. Additionally, arbitrage strategies involving short sales are exposed to the risk of the loss of the hedge if the stock sold short is called by the lending broker, or the position cannot otherwise be maintained, forcing premature liquidation.

### **Regulatory Risk**

This is the risk that domestic or international laws or regulations (including tax laws) are changed adversely or that regulatory supervision of transactions and reporting is performed by the Investment Manager at less than an appropriate standard. The Investment Manager aims to manage this risk by regularly and closely reviewing changes in the regulatory and tax environment.

### **Changes to Taxation Law**

The risk that taxation laws may change in the future and have an adverse impact on your account balance, access to your investments or ability to make contributions.

### **Regulatory Risk**

The risk that a change in regulations and law might affect a security, sector or market and have an adverse impact on the investment performance of your investments.

## **Business (PAC Capital)**

### **Operational Risk**

The risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events. For example, operational risk of PAC Capital such as: (i) people related risks and health and safety; (ii) information technology risks; (iii) business continuity plans; (iv) crisis management; (v) process systems and operations risk; (vi) environmental risk; and (vii) crisis management.

### **Personnel Risk**

The risk that the death, injury, disability, or departure of an employee disrupts PAC Capital's business operations and/or adversely affects investment performance.

## 7. Investing and withdrawing

### Applying for units

You can acquire units by completing the Application Form that accompanies this PDS. The minimum initial investment amount for the Retail Class is \$1,000 or such other amount as the Responsible Entity determines from time to time.

Completed Application Forms should be sent along with your identification documents (if applicable) to:

Apex Fund Services (Australia) Pty Ltd

Attn: Investor Services

PO Box 189, Flinders Lane VIC 8009

Fax: +612 9475 1417

Email: [ssg.aus@apexfs.com](mailto:ssg.aus@apexfs.com)

Please note that cash cannot be accepted.

We reserve the right to accept or reject applications in whole or in part at our discretion. We have the discretion to delay processing applications where we believe this to be in the best interest of the PAC Capital Fund's investors.

The price at which units are acquired is determined in accordance with the Constitution ("Application Price"). The Application Price on a Business Day is, in general terms, equal to the Net Asset Value ("NAV") of the Retail Class, divided by the number of units on issue in the Retail Class and adjusted for transaction costs ("Buy Spread"). At the date of this PDS, the Buy Spread is 0.25%. The Buy Spread can be changed by the Responsible Entity at any time and [www.eqt.com.au/insto](http://www.eqt.com.au/insto) will be updated as soon as practicable to reflect any change.

Refer to Section 9 for additional information.

The Application Price will vary as the market value of assets in the Retail Class rises or falls.

### Application cut-off times

If we receive a correctly completed Application Form, identification documents (if applicable) and cleared application money:

- before 2pm (Sydney) on a Friday which is a Business Day and your application for units is accepted, you will receive the Application Price calculated for that week; or
- on or after 2pm (Sydney) on a Friday which is a Business Day, or on a Friday which is not a Business Day, and your application for units is accepted, you will receive the Application Price calculated for the next week.

Please note that we have the discretion to change cut-off times.

We will only start processing an application if:

- we consider that you have correctly completed the Application Form;
- you have provided us with the relevant identification documents if required; and
- we have received the application money (in cleared funds) stated in your Application Form.

### Additional applications

You can make additional investments into the Retail Class at any time by sending us your additional investment amount together with a completed Application Form. The minimum additional investment into the Retail Class is \$100 or such other amount as the Responsible Entity determines from time to time.

### Terms and conditions for applications

Applications can be made at any time. Application cut-off times and unit pricing are set out above.

Please note that we do not pay interest on application monies (any interest is credited to the Retail Class).

Equity Trustees reserves the right to refuse any application without giving a reason. If for any reason Equity Trustees refuses or is unable to process your application to invest in the Fund, Equity Trustees will return your application money to you, subject to regulatory considerations, less any taxes or bank fees in connection with the application. You will not be entitled to any interest on your application money in this circumstance.

Under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006, applications made without providing all the information and supporting identification documentation requested on the Application Form cannot be processed until all the necessary information has been provided. As a result, delays in processing your application may occur.

### Cooling-off period

If you are a Retail Client who has invested directly in the Retail Class, you may have a right to a 'cooling off' period in relation to your investment in the Retail Class for 14 days from the earlier of:

- confirmation of the investment being received; and
- the end of the fifth business day after the units are issued.

A Retail Client may exercise this right by notifying Equity Trustees in writing. A Retail Client is entitled to a refund of their investment adjusted for any increase or decrease in the relevant Application Price between the time we process your application and the time we receive the notification from you, as well as any other tax and other reasonable administrative expenses and transaction costs associated with the acquisition and termination of the investment.

The right of a Retail Client to cool off does not apply in certain limited situations, such as if the issue is made under a distribution reinvestment plan, switching facility or represents additional contributions required under an existing agreement. Also, the right to cool off does not apply to you if you choose to exercise your rights or powers as a unit holder in the Retail Class during the 14 day period. This could include selling part of your investment or switching it to another product.

Indirect Investors should seek advice from their IDPS Operator as to whether cooling off rights apply to an investment in the Retail Class by the IDPS. The right to cool off in relation to the Retail Class is not directly available to an Indirect Investor. This is because an Indirect Investor does not acquire the rights of a unit holder in the Retail Class except in relation to access to Equity Trustees' complaints resolution process (see Section 8). Rather, an Indirect Investor directs the IDPS Operator to arrange for their monies to be invested in the Retail Class on their behalf. The terms and conditions of the IDPS Guide or similar type document will govern an Indirect Investor's investment in relation to the Retail Class and any rights an Indirect Investor may have in this regard.

### Making a withdrawal

Investors in the Retail Class can generally withdraw their investment by completing a written request to withdraw from the Retail Class and mailing it to:

Apex Fund Services (Australia) Pty Ltd

Attn: Investor Services

PO Box 189, Flinders Lane VIC 8009

Fax: +612 9475 1417

Or sending it by email to: [ssg.aus@apexfs.com](mailto:ssg.aus@apexfs.com)

The minimum withdrawal amount is \$100 or such other amount as the Responsible Entity determines from time to time. Once we receive your withdrawal request, we may act on your instruction without further enquiry if the instruction bears your account number or investor details and your (apparent) signature(s), or your authorised signatory's (apparent) signature(s).

Equity Trustees will generally allow an investor to access their investment within 7 days of acceptance of a withdrawal request by transferring the withdrawal proceeds to such investors' nominated bank account. However, the Constitution allows Equity Trustees to reject withdrawal requests and also to make payment up to 21 days after acceptance of a request (which may be extended in certain circumstances).

The price at which units are withdrawn is determined in accordance with the Constitution ("Withdrawal Price"). The Withdrawal Price on a Business Day is, in general terms, equal to the NAV of the Retail Class, divided by the number of units on issue in the Retail Class and adjusted for transaction costs ("Sell Spread"). At the date of this PDS, the Sell Spread is 0.25%. The Sell Spread can be altered by the Responsible Entity at any time and [www.eqt.com.au/insto](http://www.eqt.com.au/insto) will be updated as soon as practicable to reflect any change.

Refer to Section 9 for additional information. The Withdrawal Price will vary as the market value of assets in the Retail Class rises or falls.

Equity Trustees reserves the right to fully redeem your investment if your investment balance in the Retail Class falls below \$500 or such other amount as the Responsible Entity determines from time to time as a result of processing your withdrawal request. Equity Trustees can deny a withdrawal request or suspend consideration of a withdrawal request in certain circumstances, including where accepting the request is not in the best interests of investors in the PAC Capital Fund or where the PAC Capital Fund is not liquid (as defined in the Corporations Act). When the PAC Capital Fund is not liquid, an investor can only withdraw when Equity Trustees makes a withdrawal offer to investors in accordance with the Corporations Act. Equity Trustees is not obliged to make such offers. The PAC Capital Fund will cease to be liquid if less than 80% of its assets are liquid assets. Broadly, liquid assets are money in an account or on deposit with a financial institution, bank accepted bills, marketable securities, other prescribed property and other assets that the Responsible Entity reasonably expects can be realised for their market value within the period specified in the Constitution for satisfying withdrawal requests while the PAC Capital Fund is liquid.

If you are an Indirect Investor, you need to provide your withdrawal request directly to your IDPS Operator. The time to process a withdrawal request will depend on the particular IDPS Operator and the terms of the IDPS.

## Withdrawal cut-off times

If we receive a withdrawal request:

- before 2pm (Sydney) on a Friday which is a Business Day and your withdrawal request is accepted, you will receive the Withdrawal Price calculated for that week; or
- on or after 2pm (Sydney) on a Friday which is a Business Day, or on a Friday which is not a Business Day, and your withdrawal request is accepted, you will receive the Withdrawal Price calculated for the next week.

Please note that we have the discretion to change cut-off times.

We reserve the right to accept or reject withdrawal requests in whole or in part at our discretion. We have the discretion to delay processing withdrawal requests where we believe this to be in the best interest of the PAC Capital Fund's investors.

## Terms and conditions for withdrawals

The Responsible Entity can deny a withdrawal request in whole or in part. Equity Trustees will refuse to comply with any withdrawal request if the requesting party does not satisfactorily identify themselves as the investor. Withdrawal payments will not be made to third parties (including authorised nominees) and will only be paid directly to the investor's bank account held in the name of the investor at a branch of an Australian domiciled bank. By lodging a facsimile or email withdrawal request the investor releases,

discharges and agrees to indemnify Equity Trustees from and against any and all losses, liabilities, actions, proceedings, account claims and demands arising from any facsimile or email withdrawal request.

You also agree that any payment made in accordance with the fax or email instructions shall be in complete satisfaction of the obligations of Equity Trustees, notwithstanding any fact or circumstance including that the payment was made without your knowledge or authority.

When you are withdrawing, you should take note of the following:

- We are not responsible or liable if you do not receive, or are late in receiving, any withdrawal money that is paid according to your instructions.
- We may contact you to check your details before processing your withdrawal request. This may cause a delay in finalising payment of your withdrawal money. No interest is payable for any delay in finalising payment of your withdrawal money.
- If we cannot satisfactorily identify you as the withdrawing investor, we may refuse or reject your withdrawal request or payment of your withdrawal proceeds will be delayed. We are not responsible for any loss you consequently suffer.
- As an investor who is withdrawing, you agree that any payment made according to instructions received by post, courier, fax or email, shall be a complete satisfaction of our obligations, despite any fact or circumstances such as the payment being made without your knowledge or authority.

You agree that if the payment is made according to all the terms and conditions for withdrawals set out in this PDS, you and any person claiming through or under you, shall have no claim against Equity Trustees or the Investment Manager in relation to the payment. Investors will be notified of any material change to their withdrawal rights (such as any suspension of their withdrawal rights) in writing.

## Distributions

An investor's share of any distributable income is calculated in accordance with the Constitution and is generally based on the number of units held in the Retail Class by the investor at the end of the distribution period.

The Retail Class usually distributes income annually. Distributions are calculated effective the last day of the distribution period and are normally paid to investors as soon as practicable after the distribution calculation date.

Investors in the Retail Class can indicate a preference to have their distribution:

- reinvested back into the Retail Class; or
- directly credited to their Australian domiciled bank account.

Investors who do not indicate a preference will have their distributions automatically reinvested. Applications for reinvestment will be taken to be received and accepted immediately prior to the next Business Day after the relevant distribution period. There is no Buy Spread on distributions that are reinvested.

In some circumstances, the Constitution may allow for an investor's withdrawal proceeds to be taken to include a component of distributable income.

Indirect Investors should review their IDPS Guide for information on how and when they receive any income distribution.

## Valuation of the Retail Class

The value of the investments of the Retail Class is generally determined weekly. The value of a unit in the Retail Class is determined by the Net Asset Value (NAV) of the Retail Class. This is calculated by deducting from the gross value of the Retail Class assets the value of the liabilities of the Retail Class. Generally,

investments will be valued at their market value but other valuation methods and policies may be applied by Equity Trustees if appropriate or if otherwise required by law or applicable accounting standards.

### Joint account operation

For joint accounts, each signatory must sign withdrawal requests. Please ensure both signatories sign the declaration in the Application Form. Joint accounts will be held as joint tenants unless the Responsible Entity otherwise agrees.

### Authorised signatories

You can appoint a person, partnership or company as your authorised signatory. To do so, please nominate them on the initial Application Form and have them sign the relevant sections. If a company is appointed, the powers extend to any director and officer of the company. If a partnership is appointed, the powers extend to all partners. Such appointments will only be cancelled or changed once we receive written instructions from you to do so.

Once appointed, your authorised signatory has full access to operate your investment account for and on your behalf. This includes the following:

- making additional investments;
- requesting income distribution instructions to be changed;
- withdrawing all or part of your investment;
- changing bank account details;
- enquiring and obtaining copies of the status of your investment; and

- having online account access to your investment.

If you do appoint an authorised signatory:

- you are bound by their acts;
- you release, discharge and indemnify us from and against any losses, liabilities, actions, proceedings, account claims and demands arising from instructions received from your authorised representatives; and
- you agree that any instructions received from your authorised representative shall be complete satisfaction of our obligations, even if the instructions were made without your knowledge or authority.

### Electronic instructions

If an investor instructs Equity Trustees by electronic means, such as fax or email, the investor releases Equity Trustees from and indemnifies Equity Trustees against, all losses and liabilities arising from any payment or action Equity Trustees makes based on any instruction (even if not genuine) that Equity Trustees receives by an electronic communication bearing the investor's investor code and which appears to indicate to Equity Trustees that the communication has been provided by the investor e.g. a signature which is apparently the investor's and that of an authorised signatory for the investment or an email address which is apparently the investor's. The investor also agrees that neither they nor anyone claiming through them has any claim against Equity Trustees or the PAC Capital Fund in relation to such payments or actions. There is a risk that a fraudulent withdrawal request can be made by someone who has access to an investor's investor code and a copy of their signature or email address. Please take care.



## 8. Keeping track of your investment

### Complaints resolution

Equity Trustees has an established complaints handling process and is committed to properly considering and resolving all complaints. If you have a complaint about your investment, please contact us on:

Phone: 1300 133 472  
Post: Equity Trustees Limited  
GPO Box 2307, Melbourne VIC 3001  
Email: [compliance@eqt.com.au](mailto:compliance@eqt.com.au)

We will acknowledge receipt of the complaint within 1 Business Day or as soon as possible after receiving the complaint. We will seek to resolve your complaint as soon as practicable but not more than 30 calendar days after receiving the complaint.

If you are not satisfied with our response to your complaint, you may be able to lodge a complaint with the Australian Financial Complaints Authority ("AFCA").

Contact details are:  
Online: [www.afca.org.au](http://www.afca.org.au)  
Phone: 1800 931 678  
Email: [info@afca.org.au](mailto:info@afca.org.au)  
Post: GPO Box 3, Melbourne VIC 3001.

The external dispute resolution body is established to assist you in resolving your complaint where you have been unable to do so with us. However, it's important that you contact us first.

### Reports

We will make the following statements available to all investors;

- A transaction confirmation statement, showing a change in your unit holding (provided when a transaction occurs or on request).
- The PAC Capital Fund's annual audited accounts for each period ended 30 June.
- Annual distribution, tax and confirmation of holdings statements for each period ended 30 June.
- Annual report detailing each of the following at both the PAC Capital Fund and Underlying Fund levels:
  - the actual allocation to each asset type;
  - the liquidity profile of the portfolio assets as at the end of the period;
  - the maturity profile of the liabilities as at the end of the period;
  - the derivative counterparties engaged (including capital protection providers); and
  - the leverage ratio (including leverage embedded in the assets of the fund, other than listed equities and bonds) as at the end of the period;
  - the key service providers if they have changed since the latest report given to investors, including any change in their related party status.

The latest annual report will be available online from [www.paccapital.com.au](http://www.paccapital.com.au).

The following information is available on PAC Capital's website and is disclosed monthly:

- the current total NAV of the PAC Capital Fund and Underlying Fund and the withdrawal value of a unit in each class of units as at the date the NAV was calculated;
- the monthly or annual investment returns over at least a five-year period (or, if the PAC Capital Fund and Underlying Fund have not been operating for five years, the returns since their inception);
- any change to key service providers if they have changed since the last report given to investors, including any change in their related party status;
- for each of the following matters since the last report on those matters:
  - the net return on the PAC Capital Fund and Underlying Fund's assets after fees, costs and taxes;
  - any material change in the PAC Capital Fund and Underlying Fund's risk profile;
  - any material change in the PAC Capital Fund and Underlying Fund's strategy; and
  - any change in the individuals playing a key role in investment decisions for the PAC Capital Fund and Underlying Fund.

By applying to invest in the Retail Class, you agree that, to the extent permitted by law, any periodic information which is required to be given to you under the Corporations Act or ASIC policy can be given to you by making that information available on Equity Trustees' or the Investment Manager's website.

Please note that Indirect Investors who access the Retail Class through an IDPS will receive reports directly from the IDPS Operator and not from the Responsible Entity. However, Equity Trustees will be providing the reports described above to relevant IDPS Operators. Indirect Investors should refer to their IDPS Guide for information on the reports they will receive regarding their investment.

If and when the PAC Capital Fund has 100 or more direct investors, it will be classified by the Corporations Act as a 'disclosing entity'. As a disclosing entity the PAC Capital Fund will be subject to regular reporting and disclosure obligations. Investors would have a right to obtain a copy, free of charge, of any of the following documents:

- the most recent annual financial report lodged with ASIC ("Annual Report");
- any subsequent half yearly financial report lodged with ASIC after the lodgement of the Annual Report; and
- any continuous disclosure notices lodged with ASIC after the Annual Report but before the date of this PDS.

Equity Trustees will comply with any continuous disclosure obligation by lodging documents with ASIC as and when required.

Copies of these documents lodged with ASIC in relation to the PAC Capital Fund may be obtained through ASIC's website at [www.asic.gov.au](http://www.asic.gov.au).

## 9. Fees and other costs

### 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 investment 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 fees. 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)** Moneysmart website ([www.moneysmart.gov.au](http://www.moneysmart.gov.au)) has a managed funds fee calculator to help you check out different fee options.

### Fees and other costs

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 assets of the managed investment scheme 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.

### Fees and Costs Summary

PAC Global Innovation Fund - Retail Class		
Type of fee or cost	Amount	How and when paid
<b>Ongoing annual fees and costs<sup>1</sup></b>		
<i>Management fees and costs</i> The fees and costs for managing your investment	1.14% of the NAV of the Retail Class <sup>2</sup>	The management fees component of management fees and costs are accrued daily and paid from the Retail Class monthly in arrears and reflected in the unit price. Otherwise, the fees and costs are variable and deducted and reflected in the unit price of the Retail Class as they are incurred.  The management fees component of management fees and costs can be negotiated. Please see "Differential fees" in the "Additional Explanation of Fees and Costs" for further information.
<i>Performance fees</i> Amounts deducted from your investment in relation to the performance of the product	0.25% of the NAV of the Retail Class <sup>3</sup>	Performance fees are calculated daily and paid yearly in arrears from the Retail Class and reflected in the unit price.
<i>Transaction costs</i> The costs incurred by the scheme when buying or selling assets	0.00% of the NAV of the Retail Class <sup>2</sup>	Transaction costs are variable and deducted from the Retail Class as they are incurred and reflected in the unit price. They are disclosed net of amounts recovered by the buy-sell spread.  Any transaction costs at the interposed vehicle level are reflected in the value of the Retail Class's investment in the relevant interposed vehicle, and therefore reflected in the unit price.
<b>Member activity related fees and costs (fees for services or when your money moves in or out of the scheme)</b>		
<i>Establishment fee</i> The fee to open your investment	Not applicable	Not applicable
<i>Contribution fee</i> The fee on each amount contributed to your investment	Not applicable	Not applicable



## PAC Global Innovation Fund - Retail Class

<p><i>Buy-sell spread</i></p> <p>An amount deducted from your investment representing costs incurred in transactions by the scheme</p>	0.25% upon entry and 0.25% upon exit	These costs are an additional cost to the investor but are incorporated into the unit price and arise when investing application monies and funding withdrawals from the Retail Class and are not separately charged to the investor. The Buy Spread is paid into the Retail Class as part of an application and the Sell Spread is left in the Retail Class as part of a redemption.
<p><i>Withdrawal fee</i></p> <p>The fee on each amount you take out of your investment</p>	Not applicable	Not applicable
<p><i>Exit fee</i></p> <p>The fee to close your investment</p>	Not applicable	Not applicable
<p><i>Switching fee</i></p> <p>The fee for changing investment options</p>	Not applicable	Not applicable

<sup>1</sup>All fees quoted above are inclusive of Goods and Services Tax (GST) and net of any Reduced Input Tax Credits (RITC). See below for more details as to how the relevant fees and costs are calculated.

<sup>2</sup>The indirect costs component of management fees and costs and transaction costs is based on a reasonable estimate of the costs for the current financial year to date, adjusted to reflect a 12-month period. Please see "Additional Explanation of Fees and Costs" below.

<sup>3</sup>This represents the performance fee of the Retail Class which is payable as an expense of the Retail Class to the Investment Manager. The performance fee is calculated by reference to a reasonable estimate of the performance fee for the current financial year, adjusted to reflect a 12-month period. See "Performance fees" below for more information.

## Additional Explanation of Fees and Costs

### Management fees and costs

The management fees and costs include amounts payable for administering and operating the Retail Class, investing the assets of the Retail Class, expenses and reimbursements in relation to the Retail Class and indirect costs if applicable.

Management fees and costs do not include performance fees or transaction costs, which are disclosed separately.

The management fees component of management fees and costs of 1.14% p.a. of the NAV of the Retail Class is payable to the Responsible Entity of the Retail Class for managing the assets and overseeing the operations of the Retail Class. The management fees component is accrued daily and paid from the Retail Class monthly in arrears and reflected in the unit price. As at the date of this PDS, the management fees component covers certain ordinary expenses such as Responsible Entity fees, investment management fees, custodian fees, and administration and audit fees.

The indirect costs and other expenses component of 0.00% p.a. of the NAV of the Retail Class may include other ordinary expenses of operating the Retail Class, as well as management fees and costs (if any) arising from interposed vehicles in or through which the Retail Class invests and the costs of investing in over-the-counter derivatives to gain investment exposure to assets or implement the investment strategy of the Retail Class (if any). The indirect costs and other expenses component are variable and reflected in the unit price of the Retail Class as the relevant fees and costs are incurred. They are borne by investors, but they are not paid to the Responsible Entity or the Investment Manager.

Actual indirect costs for the current and future years may differ. If in future there is an increase to indirect costs disclosed in this PDS, updates will be provided on Equity Trustees' website at [www.eqt.com.au/insto](http://www.eqt.com.au/insto) where they are not otherwise required to be disclosed to investors under law.

### Performance fees

Performance fees include amounts that are calculated by reference to the performance of the Retail Class. The performance fees for the Retail Class are estimated to be 0.25% of the NAV of the Retail Class.

As the Retail Class is first offered in the current financial year, the performance fee figure that is disclosed in the Fees and Costs Summary is calculated by reference to a reasonable estimate of the performance fee for the current financial year, adjusted to reflect a 12-month period.

Performance fees have been estimated on the basis of relevant information for a similar product offering in the market.

A performance fee is payable to the Investment Manager where the investment performance of the Retail Class after management fees exceeds the Absolute Benchmark (RBA Cash Rate). The performance fee is 20.05% (inclusive of GST) of this excess and is accrued daily in the unit price and paid annually in arrears from the Retail Class.

No performance fees are payable until any absolute performance losses from prior periods have been made up (this feature is sometimes referred to as a high-watermark). The high watermark is the highest NAV per unit in the Retail Class at the end of a prior performance period in which a performance fee has been paid, adjusted for any income or capital distributions.

Please note that the performance fees disclosed in the Fees and Costs Summary is not a forecast as the actual performance fee for the current and future financial years may differ. The Responsible Entity cannot guarantee that performance fees will remain at their previous level or that the performance of the Retail Class will outperform the Benchmark.

It is not possible to estimate the actual performance fee payable in any given period, as we cannot forecast what the performance of the Retail Class will be. Information on current performance fees will be updated from time to time and available at [www.eqt.com.au/insto](http://www.eqt.com.au/insto).

### Performance fee example

The example below is provided for illustrative purposes only and does not represent any actual or prospective performance of the Retail Class. We do not provide any assurance that the Retail Class will achieve the performance used in the example and you should not rely on this example in determining whether to invest in the Retail Class.

The following is an example of the performance fee expense for a 12-month period ending 30 June ("Performance Fee Period") payable on units of the Retail Class.

Assumptions:

- The percentage movement in the Absolute Benchmark (RBA Cash Rate) for the Performance Fee Period is 4%
- The Retail Class investment return after deduction of management fees for the Performance Fee Period is 5%
- There are no negative performance fee amounts from previous Performance Fee Periods to be carried forward.

On the basis of the above assumptions and if the Retail Class NAV (after deduction of management costs) attributable to an investor's units was \$50,000, the performance fee expense in respect of those units would be approximately \$100.25 (5% Retail Class net return less 4% Benchmark return = 1% outperformance x 20.05%).

Please note that the 'investment return' specified in this example:

- is only an example to assist investors to understand the effect of the performance fee expense on their investment in the Retail Class; and
- is not a forecast of the expected investment return for the Retail Class.

### Transaction costs

In managing the assets of the Retail Class, the Retail Class may incur transaction costs such as brokerage, buy-sell spreads in respect of the underlying investments of the Retail Class, settlement costs, clearing costs and applicable stamp duty when assets are bought and sold. Transaction costs also include costs incurred by interposed vehicles in which the Retail Class invests (if any), that would have been transaction costs if they had been incurred by the Retail Class itself. Transaction costs are an additional cost to the investor where they are not recovered by the Buy/Sell Spread, and are generally incurred when the assets of the Retail Class are changed in connection with day-to-day trading or when there are applications or withdrawals which cause net cash flows into or out of the Retail Class.

The Buy/Sell Spread that is disclosed in the Fees and Costs Summary is a reasonable estimate of transaction costs that the Retail Class will incur when buying or selling assets of the Retail Class. These costs are an additional cost to the investor but are incorporated into the unit price and arise when investing application monies and funding withdrawals from the Retail Class and are not separately charged to the investor. The Buy Spread is paid into the Retail Class as part of an application and the Sell Spread is left in the Retail Class as part of a redemption and not paid to Equity Trustees or the Investment Manager. The estimated Buy/Sell Spread is 0.25% upon entry and 0.25% upon exit. The dollar value of these costs based on an application or a withdrawal of \$1,000 or such other amount as the Responsible Entity determines from time to time is

\$2.50 for each individual transaction. The Buy/Sell Spread can be altered by the Responsible Entity at any time and [www.paccapital.com.au](http://www.paccapital.com.au) will be updated as soon as practicable to reflect any change. The Responsible Entity may also waive the Buy/Sell Spread in part or in full at its discretion. The transaction costs figure in the Fees and Costs Summary is shown net of any amount recovered by the Buy/Sell Spread charged by the Responsible Entity.

Transaction costs generally arise through the day-to-day trading of the Retail Class's assets and are reflected in the Retail Class's unit price as an additional cost to the investor, as and when they are incurred.

The gross transaction costs for the Retail Class are 0.25% p.a. of the NAV of the Retail Class, which is based on a reasonable estimate of the costs for the current financial year to date, adjusted to reflect a 12-month period.

In relation to the costs that have been estimated, they have been estimated on the basis of quotes obtained from vendors.

However, actual transaction costs for future years may differ.

### Can the fees change?

Yes, all fees can change without investor consent, subject to the maximum fee amounts specified in the Constitution. The current maximum management fee to which Equity Trustees is entitled is 2% of the GAV of the PAC Capital Fund. However, Equity Trustees does not intend to charge that amount and will generally provide investors with at least 30 days' notice of any proposed increase to the management fees component of management fees and costs. In most circumstances, the Constitution defines the maximum level that can be charged for fees described in this PDS. Equity Trustees also has the right to recover all reasonable expenses incurred in relation to the proper performance of its duties in managing the Retail Class and as such these expenses may increase or decrease accordingly, without notice.

### Payments to IDPS Operators

Subject to the law, annual payments may be made to some IDPS Operators because they offer the Retail Class on their investment menus. Product access is paid by the Investment Manager out of its investment management fee and is not an additional cost to the investor.

### Differential fees

The Investment Manager may from time to time negotiate a different fee arrangement (by way of a rebate or waiver of fees) with certain investors who are Australian Wholesale Clients. Please contact the Investment Manager on +612 9231 8630 for further information.

### Taxation

Please refer to Section 10 of the Product Disclosure Statement for further information on taxation.

## Example of annual fees and costs for an investment option

This table gives an example of how the ongoing annual fees and costs in the investment option for this product can affect your investment over a 1-year period. You should use this table to compare this product with other products offered by managed investment schemes.

EXAMPLE – PAC Global Innovation Fund - Retail Class		
BALANCE OF \$50,000 WITH A CONTRIBUTION OF \$5,000 DURING THE YEAR		
Contribution Fees	Nil	For every additional \$5,000 you put in, you will be charged \$0
<b>Plus</b> Management fees and costs	1.14% p.a.	<b>And</b> , for every \$50,000 you have in the PAC Global Innovation Fund - Retail Class you will be charged or have deducted from your investment \$570 each year

**EXAMPLE – PAC Global Innovation Fund - Retail Class**

<b>Plus</b> Performance fees	0.25% p.a.	<b>And</b> , you will be charged or have deducted from your investment \$125 in performance fees each year
<b>Plus</b> Transaction costs	0.00% p.a.	<b>And</b> , you will be charged or have deducted from your investment \$0 in transaction costs
<b>Equals</b> Cost of PAC Global Innovation Fund - Retail Class		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees and costs of: \$695* <b>What it costs you will depend on the investment option you choose and the fees you negotiate.</b>

\* Additional fees may apply. Please note that this example does not capture all the fees and costs that may apply to you such as the Buy/Sell Spread.

This example assumes the \$5,000 contribution occurs at the end of the first year, therefore the fees and costs are calculated using the \$50,000 balance only.

**Warning: If you have consulted a financial adviser, you may pay additional fees. You should refer to the Statement of Advice or Financial Services Guide provided by your financial adviser in which details of the fees are set out.**

ASIC provides a fee calculator on [www.moneysmart.gov.au](http://www.moneysmart.gov.au), which you may use to calculate the effects of fees and costs on account balances. The performance fees stated in this table are based on a reasonable estimate of the performance fee for the current financial year, adjusted to reflect a 12-month period. The performance of the Retail Class for this financial year, and the performance fees, may be higher or lower or not payable in the future. It is not a forecast of the performance of the Retail Class or the amount of the performance fees in the future.

The indirect costs and other expenses component of management fees and costs and transaction costs may also be based on estimates. As a result, the total fees and costs that you are charged may differ from the figures shown in the table.

# 10. Taxation

## Taxation

The following information summarises some of the Australian taxation issues you may wish to consider before making an investment in the Fund and assumes that you hold your investment in the Fund on capital account and are not considered to be carrying on a business of investing, trading in investments or investing for the purpose of profit making by sale. The information should be used as a guide only and does not constitute professional tax advice as individual circumstances may differ.

A number of tax reform measures are currently under review by the Australian Government. These reforms may impact on the tax position of the Fund and its investors. Accordingly, it is recommended that investors seek their own professional advice, specific to their own circumstances, of the taxation implications of investing in the Fund.

### General

The Fund is an Australian resident trust for Australian tax purposes. Therefore, the Fund is required to determine its net income (taxable income) for the year of income. On the basis that investors are presently entitled (which is the intention of Equity Trustees) to the net income of the Fund (including net taxable capital gains) or will be attributed their share of assessable income, exempt income, non-assessable non-exempt income and tax offsets (i.e. credits) of the Fund and the Fund is not a public trading trust, the Fund should be treated as a flow-through trust for tax purposes. This means that investors should be taxed on their share of the Fund's net taxable income or the amount attributed to them, and the Fund should not be subject to Australian income tax.

In the case where the Fund makes a loss for Australian tax purposes, the Fund cannot distribute the tax loss to investors. However, the tax loss may be carried forward by the Fund for offset against taxable income of the Fund in subsequent years, subject to the operation of the trust loss rules.

### Attribution Managed Investment Trust ("AMIT") – core rules

The Fund may qualify as an eligible Attribution Managed Investment Trust (AMIT), and if so, intends to elect into the AMIT regime. The AMIT legislation applies an attribution model whereby Equity Trustees as the Responsible Entity of the Fund attributes amounts of trust components of a particular character to investors on a fair and reasonable basis consistent with the operation of the Fund's Constitution, which includes provisions in relation to AMIT. Under the AMIT rules, the following will apply:

**Fair and reasonable attribution:** Each year, the Fund's determined trust components of assessable income, exempt income, non-assessable non-exempt income and tax offsets (i.e. credits) will be allocated to investors on a "fair and reasonable" attribution basis, rather than being allocated proportionally based on each investor's present entitlement to the income of the Fund.

**Unders or overs adjustments:** Where the Fund's determined trust components for a year are revised in a subsequent year (e.g. due to actual amounts differing to the estimates of income, gains / losses or expenses), then unders and overs may arise. Unders and overs will generally be carried forward and adjusted in the year of discovery.

**Cost base adjustments:** Where the distribution made is less than (or more than) certain components attributed to investors, then the cost base of an investor's units may be increased (or decreased). Details of cost base adjustments will be included on an investor's annual tax statement, referred to as an AMIT Member Annual Statement ("AMMA").

**Large withdrawals:** In certain circumstances, gains may be attributed to a specific investor, for example, gains on disposal of assets to fund a large withdrawal being attributed to the redeeming investor.

**Penalties:** In certain circumstances (e.g. failure to comply with certain AMIT rules), specific penalties may be imposed.

**Multi-classing:** Where the AMIT multi-class election is made, an AMIT can choose to treat separate classes within a trust as if they were separate AMITs. On this basis, the determined trust components are calculated for each class as though they were a separate AMIT, rather than across the AMIT as a whole. Where a class makes a tax loss for an income year, and other classes have taxable income, the losses are quarantined within the class and not able to be offset against taxable income of the other classes.

The new AMIT rules are intended to reduce complexity, increase certainty and reduce compliance costs for managed investment trusts and their investors. Where the Fund does not elect into the AMIT regime, or has made the election but the election is not effective for the income year (e.g. the Fund does not satisfy the requirements to be a managed investment trust for the income year), the Tax Law applicable to non-AMITs should be relevant. In particular, the Fund should not be subject to the attribution method but instead investors should be assessed for tax on any income and capital gains generated by the Fund to which they become presently entitled.

Where the Fund elects into the AMIT regime, the Fund also intends to make the irrevocable AMIT multi-class election in respect of the classes of interests in the Fund. The Retail Class (being the PAC Global Growth Fund) would therefore represent one class under the Fund, with the abovementioned tax consequences in respect of multi-classing applicable to the Retail Class.

### Deemed Capital Gains Tax ("CGT") Election

Eligible managed investment trusts ("MITs") may make an election to apply a deemed capital account treatment for gains and losses on disposal of certain eligible investments (including equities and units in other trusts but excluding derivatives, debt securities and foreign exchange contracts). Where the election is made the Fund should hold its eligible investments on capital account and gains/(losses) from the disposal of eligible investments should be treated as capital gains/(losses). Capital gains arising on the disposal of eligible investments held for 12 months or greater may be eligible to be treated as discount capital gains.

Where the CGT election is not made, the Fund should hold its eligible investments on revenue account and gains/(losses) from the disposal of eligible investments should be treated as revenue gains or losses.

### Controlled Foreign Company ("CFC") Provisions

There are certain tax rules (i.e. the CFC provisions) which may result in assessable income arising in the Fund in relation to investments in foreign equities, where certain control thresholds are met. If such interests were to be held at the end of the income year, the taxable income of the Fund may include a share of net income and gains (i.e. CFC attributable income) from such investments.

### Taxation of Financial Arrangements ("TOFA")

The TOFA rules may apply to certain "financial arrangements" held by the Fund. In broad terms, the TOFA regime seeks to recognise "sufficiently certain" returns on certain financial arrangements on an accruals basis for tax purposes rather than on a realisation basis. Where returns from derivative instruments are not "sufficiently certain" they will continue to be recognised on a realisation basis, unless specific tax timing elections are made.

### Taxation Reform

The tax information included in this PDS is based on the taxation legislation and administrative practice as at the issue date of this PDS, together with proposed changes to the taxation legislation as announced by the Government. However, the Australian tax system is in a continuing state of reform, and based on the Government's reform agenda, it is likely to escalate rather than diminish. Any reform



of a tax system creates uncertainty as to the full extent of announced reforms, or uncertainty as to the meaning of new law that is enacted pending interpretation through the judicial process. These reforms may impact on the tax position of the Fund and its investors. Accordingly, it will be necessary to closely monitor the progress of these reforms, and investors should seek their own professional advice, specific to their own circumstances, of the taxation implications of investing in Fund.

#### **Tax File Number (“TFN”) and Australian Business Number (“ABN”)**

It is not compulsory for an investor to quote their TFN or ABN. If an investor is making this investment in the course of a business or enterprise, the investor may quote an ABN instead of a TFN. Failure by an investor to quote an ABN or TFN or claim an exemption may cause the Responsible Entity to withhold tax at the top marginal rate, plus the Medicare Levy, on gross payments including distributions or attribution of income to the investor. The investor may be able to claim a credit in their tax return for any TFN or ABN tax withheld. Collection of TFNs is permitted under taxation and privacy legislation.

By quoting their TFN or ABN, the investor authorises Equity Trustees to apply it in respect of all the investor's investments with Equity Trustees. If the investor does not want to quote their TFN or ABN for some investments, Equity Trustees should be advised.

#### **GST**

The Fund is registered for GST. The issue or withdrawal of units in the Fund and receipt of distributions are not subject to GST.

The Fund may be required to pay GST included in management and other fees, charges, costs and expenses incurred by the Fund. However, to the extent permissible, the Responsible Entity will claim on behalf of Fund a proportion of this GST as a reduced input tax credit. Unless otherwise stated, fees and charges quoted in this PDS are inclusive of GST and take into account any available reduced input tax credits. The Fund may be entitled to as yet undetermined additional input tax credits on the fees, charges or costs incurred. If the Responsible Entity is unable to claim input tax credits on behalf of the Fund, the Responsible Entity retains the ability to recover the entire GST component of all fees and charges.

The impact of GST payments and credits will be reflected in the unit price of the Fund. Investors should seek professional advice with respect to the GST consequences arising from their unit holding.

#### **Australian Taxation of Australian Resident Investors**

##### *Distributions*

For each year of income, each Australian resident investor will be required to include within their own tax calculations and tax return filings the assessable income, exempt income, non-assessable non-exempt income and tax offsets (i.e. credits) of the Fund attributed to them by Equity Trustees as the Responsible Entity of the Fund.

The tax consequences for investors in the Fund depends on the tax components of assessable income, exempt income, non-assessable non-exempt income and tax offsets (i.e. credits) of the Fund attributed to them.

Investors will receive an Annual Tax Statement (or an “AMMA” for an AMIT) detailing all relevant taxation information concerning attributed amounts and cash distributions, including any Foreign Income Tax Offset (“FITO”) and franking credit entitlements, returns of capital, assessable income, and any upwards or downwards cost base adjustment in the capital gains tax cost base of their units in the Fund (in the case of an AMIT). The income attributed to an investor will also include amounts of trust income that have been reinvested in the Fund through its distribution reinvestment policy. In this case, it is likely that an investor's attributable income (which must be included in the investor's assessable income) will be more than the cash distribution received (if any). To the extent an investor has included an

amount in their assessable income as a result of a reinvested distribution, this should form the cost base of the units issued under the distribution reinvestment policy.

An investor may receive their share of attributed tax components of the Fund or net income in respect of distributions made during the year or where they have made a large withdrawal from the Fund, in which case their withdrawal proceeds may include their share of net income or attributed tax components of assessable income, exempt income, non-assessable non-exempt income and tax offsets (i.e. credits). In addition, because Australian investors can move into and out of the Fund at different points in time, there is the risk that taxation liabilities in respect of gains that have benefited past investors may have to be met by subsequent investors.

##### *Foreign Income*

The Fund may derive foreign source income that is subject to tax overseas, for example withholding tax. Australian resident investors should include their share of both the foreign income and the amount of the foreign tax withheld in their assessable income. In such circumstances, investors may be entitled to a FITO for the foreign tax paid, against the Australian tax payable on the foreign source income. To the extent the investors do not have sufficient overall foreign source income to utilise all of the FITOs relevant to a particular year of income, the excess FITOs cannot be carried forward to a future income year.

##### *Disposal of Units by Australian Resident Investors*

If an Australian resident investor transfers or redeems their units in the Fund, this may constitute a disposal for tax purposes depending on their specific circumstances.

Where an investor holds their units in the Fund on capital account, a capital gain or loss may arise on disposal and each investor should calculate their capital gain or loss according to their own particular facts and circumstances. As noted above, proceeds on disposal may include a component of distributable income. In calculating the taxable amount of a capital gain, a discount of 50% for individuals and trusts or 33 & 1/3% for complying Australian superannuation funds may be allowed where the units in the Fund have been held for 12 months or more. No CGT discount is available to corporate investors.

Any capital losses arising from the disposal of the investment may be used to offset other capital gains the investor may have derived. Net capital losses may be carried forward for offset against capital gains of subsequent years but may not be offset against ordinary income.

The discount capital gains concession may be denied in certain circumstances where an investor (together with associates) holds 10% or more of the issued units of the Fund, the Fund has less than 300 beneficiaries and other requirements are met. Investors who together with associates are likely to hold more than 10% of the units in the Fund should seek advice on this issue.

#### **Australian Taxation of Non-Resident Investors**

##### *Tax on Income*

The Fund expects to derive income which may be subject to Australian withholding tax when attributed by Equity Trustees as the Responsible Entity of the Fund to non-resident investors.

Australian withholding tax may be withheld from distributions of Australian source income and gains attributed to a non-resident investor. The various components of the net income of the Fund which may be regarded as having an Australian source include Australian sourced interest, Australian sourced other gains, Australian sourced dividends and CGT taxable Australian property.

We recommend that non-resident investors seek independent tax advice before investing, taking into account their particular circumstances and the provisions of any relevant Double Taxation Agreement/Exchange of Information Agreement (“EOI”) between Australia and their country of residence.

*Disposal of Units by Non-Resident Investors*

Based on the Fund's investment profile, generally non-resident investors holding their units on capital account should not be subject to Australian capital gains tax on the disposal of units in the Fund unless the units were capital assets held by the investor in carrying on a business through a permanent establishment in Australia.

Australian tax may apply in certain circumstances if the non-resident holds their units on revenue account. CGT may also apply in some cases where Fund has a direct or indirect interest in Australian real property. We recommend that non-resident investors seek independent tax advice in relation to the tax consequences of the disposal of their units.



# 11. Other important information

## Consent

The Investment Manager, Administrator and Custodian have given and, as at the date of this PDS, have not withdrawn:

- their written consent to be named in this PDS as the investment manager, administrator and custodian of the PAC Capital Fund respectively; and
- their written consent to the inclusion of the statements made about them and the PAC Capital Fund which are specifically attributed to them, in the form and context in which they appear.

The Investment Manager, Administrator and the Custodian have not otherwise been involved in the preparation of this PDS or caused or otherwise authorised the issue of this PDS. Neither the Investment Manager, the Administrator, the Custodian nor their employees or officers accept any responsibility arising in any way for errors or omissions, other than those statements for which it has provided its written consent to Equity Trustees for inclusion in this PDS.

## Constitution of the PAC Capital Fund

You will be issued units in the Retail Class when you invest. Subject to the rights, obligations and restrictions of the Retail Class, each unit in the Retail Class represents an equal undivided fractional beneficial interest in the assets of the Retail Class as a whole subject to liabilities, but does not give you an interest in any particular property of the Retail Class.

Equity Trustees' responsibilities and obligations, as the responsible entity of the PAC Capital Fund, are governed by the Constitution as well as the Corporations Act and general trust law. The Constitution contains a number of provisions relating to the rights, terms, conditions and obligations imposed on both Equity Trustees, as the responsible entity of the PAC Capital Fund, and investors. Some of the provisions of the Constitution are discussed elsewhere in this PDS.

Other provisions relate to an investor's rights under the Constitution, and include:

- an investor's right to share in any Retail Class income, and how we calculate it;
- what you are entitled to receive when you withdraw or if the PAC Capital Fund is wound up;
- an investor's right to withdraw from the Retail Class - subject to the times when we can cease processing withdrawals, such as if the PAC Capital Fund becomes 'illiquid';
- the nature of the units - identical rights attach to all units within a class; and
- an investor's rights to attend and vote at meetings – these provisions are mainly contained in the Corporations Act.

There are also provisions governing our powers and duties, including:

- how we calculate unit prices, the maximum amount of fees we can charge and expenses we can recover;
- when we can amend the Constitution - generally we can only amend the Constitution where we reasonably believe that the changes will not adversely affect investors' rights. Otherwise the Constitution can only be amended if approved at a meeting of investors;
- when we can retire as the responsible entity of the PAC Capital Fund - which is as permitted by law;
- when we can be removed as the responsible entity of the PAC Capital Fund - which is when required by law; and
- our broad powers to invest, borrow and generally manage the Retail Class.

The Constitution also deals with our liabilities in relation to the PAC Capital Fund and when we can be reimbursed out of the PAC Capital Fund's assets.

For example, we can be reimbursed for any liabilities we incur in connection with the proper performance of our powers and duties in respect of the PAC Capital Fund.

As mentioned above, Equity Trustees' responsibilities and obligations as the responsible entity of the PAC Capital Fund are governed by the Constitution of the PAC Capital Fund, the Corporations Act and general trust law, which require that we:

- act in the best interests of investors and, if there is a conflict between investors' interests and our own, give priority to investors;
- ensure the property of the PAC Capital Fund is clearly identified, held separately from other funds and our assets, and is valued regularly;
- ensure payments from the PAC Capital Fund's property are made in accordance with the Constitution and the Corporations Act; and
- report to ASIC any breach of the Corporations Act in relation to the PAC Capital Fund which has had, or is likely to have, a materially adverse effect on investors' interests.

Copies of the Constitution are available, free of charge, on request from Equity Trustees.

## Non-listing of units

The units in the Retail Class are not listed on any stock exchange and no application will be made to list the units in the Retail Class on any stock exchange.

## Termination of the PAC Capital Fund

The Responsible Entity may resolve at any time to terminate and liquidate the PAC Capital Fund (if it provides investors with notice) in accordance with the Constitution and the Corporations Act. Upon termination and after conversion of the assets of the PAC Capital Fund into cash and payment of, or provision for, all costs, expenses and liabilities (actual and anticipated), the net proceeds will be distributed pro-rata among all investors according to the number of units they hold.

## Compliance plan

Equity Trustees has prepared and lodged a compliance plan for the PAC Capital Fund with ASIC. The compliance plan describes the procedures used by Equity Trustees to comply with the Corporations Act and the Constitution. Each year the compliance plan is audited and the audit report is lodged with ASIC.

## Unit pricing discretions policy

Equity Trustees has developed a formal written policy in relation to the guidelines and relevant factors taken into account when exercising any discretion in calculating unit prices (including determining the value of assets and liabilities). A copy of the policy and, where applicable and to the extent required, any other relevant documents in relation to the policy (such as records of any discretions which are outside the scope of, or inconsistent with, the unit pricing policy) will be made available to investors free of charge on request.

## Indemnity

Equity Trustees, as the responsible entity of the PAC Capital Fund, is indemnified out of the PAC Capital Fund against all liabilities incurred by it in the proper performance of any of its powers or duties in relation to the PAC Capital Fund. To the extent permitted by the Corporations Act, this indemnity includes any liability incurred as a

result of any act or omission of a delegate or agent appointed by the Responsible Entity. Subject to the law, Equity Trustees may retain or pay out from the assets of the PAC Capital Fund any sum necessary to affect such an indemnity.

### **Anti-Money Laundering and Counter Terrorism Financing (“AML/CTF”)**

Australia’s AML/CTF laws require Equity Trustees to adopt and maintain a written AML/CTF Program. A fundamental part of the AML/CTF Program is that Equity Trustees must hold up-to-date information about investors (including beneficial owner information) in the PAC Capital Fund.

To meet this legal requirement, we need to collect certain identification information (including beneficial owner information) and documentation (“KYC Documents”) from new investors. Existing investors may also be asked to provide KYC Documents as part of an ongoing customer due diligence/verification process to comply with AML/CTF laws. If applicants or investors do not provide the applicable KYC Documents when requested, Equity Trustees may be unable to process an application, or may be unable to provide products or services to existing investors until such time as the information is provided.

In order to comply with AML/CTF Laws, Equity Trustees may also disclose information including your personal information that it holds about the applicant, an investor, or any beneficial owner, to its related bodies corporate or service providers, or relevant regulators of AML/CTF Laws (whether inside or outside Australia). Equity Trustees may be prohibited by law from informing applicants or investors that such reporting has occurred.

Equity Trustees and the Investment Manager shall not be liable to applicants or investors for any loss you may suffer because of compliance with the AML/CTF laws.

### **Common Reporting Standard (“CRS”)**

The CRS is developed by the Organisation of Economic Co-operation and Development and requires certain financial institutions resident in a participating jurisdiction to document and identify reportable accounts and implement due diligence procedures. These financial institutions will also be required to report certain information on reportable accounts to their relevant local tax authorities.

Australia signed the CRS Multilateral Competent Authority Agreement and has enacted provisions within the domestic tax legislation to implement CRS in Australia. Australian financial institutions need to document and identify reportable accounts, implement due diligence procedures and report certain information with respect to reportable accounts to the ATO. The ATO may then exchange this information with foreign tax authorities in the relevant signatory countries.

In order to comply with the CRS obligations, we may request certain information from you. Unlike FATCA, there is no withholding tax that is applicable under CRS.

### **Information on underlying investments**

Information regarding the underlying investments of the Retail Class will be provided to an investor of the Retail Class on request, to the extent Equity Trustees is satisfied that such information is required to enable the investor to comply with its statutory reporting obligations. This information will be supplied within a reasonable timeframe having regard to these obligations.

### **Indirect Investors**

You may be able to invest indirectly in the Retail Class via an IDPS by directing the IDPS Operator to acquire units on your behalf. If you do so, you will need to complete the relevant forms provided by the IDPS Operator and not the Application Form accompanying the PDS. This will mean that you are an Indirect Investor in the Retail Class and not an investor or member of the Retail Class. Indirect Investors do not acquire the rights of an investor (except in relation to access to Equity

Trustees’ complaints resolution process – see Section 8) as such rights are acquired by the IDPS Operator who may exercise, or decline to exercise, these rights on your behalf.

Indirect Investors do not receive reports or statements from us and the IDPS Operator’s application and withdrawal conditions determine when you can direct the IDPS Operator to apply or redeem. Your rights as an Indirect Investor should be set out in the IDPS Guide or other disclosure document issued by the IDPS Operator.

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

In April 2014, the Australian Government signed an intergovernmental agreement (“IGA”) with the United States of America (“U.S.”), which requires all Australian financial institutions to comply with the FATCA Act enacted by the U.S. in 2010.

Under FATCA, Australian financial institutions are required to collect and review their information to identify U.S. residents and U.S. controlling persons that invest in assets through non-U.S. entities. This information is reported to the Australian Taxation Office (“ATO”). The ATO may then pass that information onto the U.S. Internal Revenue Service.

In order to comply with the FATCA obligations, we may request certain information from you. Failure to comply with FATCA obligations may result in the PAC Capital Fund, to the extent relevant, being subject to a 30% withholding tax on payment of U.S. income or gross proceeds from the sale of certain U.S. investments. If the PAC Capital Fund suffers any amount of FATCA withholding and is unable to obtain a refund for the amounts withheld, we will not be required to compensate investors for any such withholding and the effect of the amounts withheld will be reflected in the returns of the PAC Capital Fund.

### **Your privacy**

The Australian Privacy Principles contained in the Privacy Act 1988 (Cth) (“Privacy Act”) regulate the way in which we collect, use, disclose, and otherwise handle your personal information. Equity Trustees is committed to respecting and protecting the privacy of your personal information, and our Privacy Policy details how we do this.

It is important to be aware that, in order to provide our products and services to you, Equity Trustees may need to collect personal information about you and any other individuals associated with the product or service offering. In addition to practical reasons, this is necessary to ensure compliance with our legal and regulatory obligations (including under the Corporations Act, the AML/CTF Act and taxation legislation). If you do not provide the information requested, we may not be able to process your application, administer, manage, invest, pay or transfer your investment(s).

You must therefore ensure that any personal information you provide to Equity Trustees is true and correct in every detail. If any of this personal information (including your contact details) changes, you must promptly advise us of the changes in writing. While we will generally collect your personal information from you, your broker or adviser or the Investment Manager and Administrator directly, we may also obtain or confirm information about you from publicly available sources in order to meet regulatory obligations.

In terms of how we deal with your personal information, Equity Trustees will use it for the purpose of providing you with our products and services and complying with our regulatory obligations. Equity Trustees may also disclose it to other members of our corporate group, or to third parties who we work with or engage for these same purposes. Such third parties may be situated in Australia or offshore, however we take reasonable steps to ensure that they will comply with the Privacy Act when collecting, using or handling your personal information.

The types of third parties that we may disclose your information to include, but are not limited to:

- stockbrokers, financial advisers or adviser dealer groups, their service providers and/or any joint holder of an investment;
- those providing services for administering or managing the PAC Capital Fund, including the Investment Manager, Custodian and Administrator, auditors, or those that provide mailing or printing services;
- our other service providers;
- regulatory bodies such as ASIC, ATO, APRA and AUSTRAC; and
- other third parties who you have consented to us disclosing your information to, or to whom we are required or permitted by law to disclose information to.

Equity Trustees or the Investment Manager may from time to time provide you with direct marketing and/or educational material about products and services they believe may be of interest to you. You have the right to “opt out” of such communications by contacting us using the contact details below. In addition to the above information, Equity Trustees’ Privacy Policy contains further information about how we handle your personal information, and how you can access information held about you, seek a correction to that information, or make a privacy-related complaint. Full details of Equity Trustees’ Privacy Policy are available at [www.eqt.com.au](http://www.eqt.com.au). You can also request a copy of the Policy by contacting Equity Trustees’ Privacy Officer on +613 8623 5000 or by email to [privacy@eqt.com.au](mailto:privacy@eqt.com.au).

## 12. Glossary of important terms

### **Absolute Benchmark**

The RBA cash rate. The cash rate is a metric set by the RBA. Basically, it is the interest that every bank has to pay on the money it borrows, or in its own words, the “overnight money market interest rate”.

### **Administrator**

Apex Fund Services (Australia) Pty Ltd.

### **AFSL**

Australian Financial Services Licence.

### **Alpha**

A measure of the active return on an investment (i.e. the performance of an investment above a benchmark).

### **Application Form**

The Application Form that accompanies the PDS.

### **ASIC**

Australian Securities and Investments Commission.

### **ATO**

Australian Taxation Office.

### **AUSTRAC**

Australian Transaction Reports and Analysis Centre.

### **Business Day**

A day other than Saturday or Sunday on which banks are open for general banking business in Sydney or Melbourne.

### **Buy/Sell Spread**

The difference between the application price and withdrawal price of units in the Retail Class, which reflects the estimated transaction costs associated with buying or selling the assets of the Retail Class, when investors invest in or withdraw from the Retail Class.

### **Constitution**

The document which describes the rights, responsibilities and beneficial interest of both investors and the Responsible Entity in relation to the PAC Capital Fund, as amended from time to time.

### **Corporations Act**

The Corporations Act 2001 (Cth) and Corporations Regulations 2001 (Cth), as amended from time to time.

### **Custodian**

Sandhurst Trustees Limited

### **Equity Trustees**

Equity Trustees Limited (ABN 46 004 031 298) which holds an AFSL No. 240975.

### **GST**

Goods and Services Tax.

### **IDPS**

Investor-Directed Portfolio Service or investor-directed portfolio-like managed investment scheme. An IDPS is generally the vehicle through which an investor purchases a range of underlying investment options from numerous investment managers.

### **IDPS Guide**

The terms and conditions of an IDPS issued by the IDPS Operator.

### **IDPS Operator**

The entity responsible for operating an IDPS.

### **Indirect Investors**

Individuals who invest in the Retail Class through an IDPS.

### **Investment Manager**

PAC Capital Pty Ltd.

### **Net Asset Value (NAV)**

Value of the investments of the Retail Class after deducting certain liabilities including income entitlements and contingent liabilities.

### **PDS**

This Product Disclosure Statement, issued by Equity Trustees.

### **Responsible Entity**

Equity Trustees Limited.

### **Retail Class**

PAC Global Innovation Fund - Retail Class, being a class of units in the PAC Capital Fund (ARSN 652 244 365), a registered managed investment scheme

### **Retail Client**

Persons or entities defined as such under section 761G of the Corporations Act.

### **RITC**

Reduced Input Tax Credit. Equity Trustees will apply for reduced input tax credits where applicable to reduce the cost of GST to the Retail Class.

### **Underlying Fund**

The unregistered hedge fund domiciled in Australia, referred to as the PAC Global Innovation Fund, in which the Retail Class invests.

### **US Person**

A person so classified under securities or tax law in the United States of America (“US”) including, in broad terms, the following persons:

(a) any citizen of, or natural person resident in, the US, its territories or possessions; or

(b) any corporation or partnership organised or incorporated under any laws of or in the US or of any other jurisdiction if formed by a US Person (other than by accredited investors who are not natural persons, estates or trusts) principally for the purpose of investing in securities not registered under the US Securities Act of 1933; or

(c) any agency or branch of a foreign entity located in the US; or

(d) a pension plan primarily for US employees of a US Person; or

(e) a US collective investment vehicle unless not offered to US Persons; or

(f) any estate of which an executor or administrator is a US Person (unless an executor or administrator of the estate who is not a US Person has sole or substantial investment discretion over the assets of the estate and such estate is governed by non-US law) and all the estate income is non-US income not liable to US income tax; or

(g) any Fund of which any trustee is a US Person (unless a trustee who is a professional fiduciary is a US Person and a trustee who is not a US Person has sole or substantial investment discretion over the assets of the trust and no beneficiary (or settlor, if the trust is revocable) of the trust is a US Person); or

(h) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US Person; or

(i) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated or (if an individual) resident in the US for the benefit or account of a US Person.

### **Wholesale Client**

Person or entity which is not a Retail Client.

# PAC GLOBAL INNOVATION FUND - RETAIL CLASS APPLICATION FORM

This application form accompanies the Product Disclosure Statement (PDS)/Information Memorandum (IM) relating to units in the following product/s issued by Equity Trustees Limited (ABN 46 004 031 298, AFSL 240975). The PDS/IM contains information about investing in the Fund/Trust. You should read the PDS/IM in its entirety before applying.

- **PAC Global Innovation Fund - Retail Class**

The law prohibits any person passing this Application Form on to another person unless it is accompanied by a complete PDS/IM.

- If completing by hand, use a black or blue pen and print within the boxes in BLOCK LETTERS, if you make a mistake, cross it out and initial. DO NOT use correction fluid
- The investor(s) must complete and sign this form
- Keep a photocopy of your completed Application Form for your records

U.S. Persons: This offer is not open to any U.S. Person. Please refer to the PDS/IM for further information.

## **Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standard (CRS)**

We are required to collect certain information to comply with FATCA and CRS, please ensure you complete section 7.

### **If investing with an authorised representative, agent or financial adviser**

Please ensure you, your authorised representative, agent and/or financial adviser also complete Section 6.

### **Provide certified copies of your identification documents**

Please refer to section 9 on AML/CTF Identity Verification Requirements.

### **Send your documents & make your payment**

See section 2 for payment options and where to send your application form.

## SECTION 1 – YOUR CONSUMER ATTRIBUTES

In relation to our Design and Distribution Obligations (DDO) under the Corporations Act, we seek the following information about your attributes as an investor (please tick only 1 box for each question below)

Further information in relation to these questions can be found in the Target Market Determination (TMD) for the Fund. If you wish to access the TMD, please visit <https://www.egt.com.au/insto/>

### 1. Have you received advice prior to applying to invest in the Fund?

- I/We have received personal advice in relation to my investment in this Fund
- I/We have received general advice in relation to my investment in this Fund
- I/We have not received any advice in relation to my investment in this Fund

### 2. What is your primary investment objective(s)?

- Capital growth  Capital preservation
- Capital guaranteed  Income Distribution

### 3. Please select the intended use of this Fund in your investment portfolio

- Solution/Standalone – A large allocation (75%-100% of portfolio)
- Core component – A medium allocation (25%-75% of portfolio)
- Satellite/Small Allocation – A small allocation (<25% of portfolio)

### 4. Please select the Intended investment timeframe

- Short term (<=2 years)  Medium term (>2 years)
- Long term (>8 years)

### 5. What is your tolerance for risk?

- Low - I/we can tolerate up to 1 period of underperformance over 20 years  Medium - I/we can tolerate up to 4 periods of underperformance over 20 years
- High - I/we can tolerate up to 6 periods of underperformance over 20 years  Very High - I/we can tolerate more than 6 periods of underperformance over 20 years

### 6. What do you anticipate your withdrawal needs may be?

- Daily  Weekly
- Monthly  Quarterly
- Annually or longer

#### Please note:

- Failure to complete the above questions may result in your application not being accepted;
- Acceptance of your application should not be taken as a representation or confirmation that an investment in the Fund is, or is likely to be, consistent with your intentions, objectives and needs as indicated in your responses to these questions; and
- For further information on the suitability of this product, please refer to your financial adviser and/or the TMD



## SECTION 1.2 – ARE YOU AN EXISTING INVESTOR IN THE FUND/TRUST AND WISH TO ADD TO YOUR INVESTMENT?

Do you have an existing investment in the Fund/Trust and the information provided remains current and correct?

- Yes**, if you can tick both of the boxes below, complete Sections 2 and 8
- I/We confirm there are no changes to our identification documents previously provided and that these remain current and valid.
- I/We confirm there have been no changes to our FATCA or CRS status

Existing investor number:

If there have been changes in your identification documents or FATCA/CRS status since your last application, please complete the full Application Form as indicated below.

- No**, please complete sections relevant to you as indicated below:

### Investor Type:

- Individuals/Joint:** complete section 2, 3, 6 (if applicable), 7, 8 & 9
- Companies:** complete section 2, 4, 6 (if applicable), 7, 8 & 9
- Custodians on behalf of underlying clients:** complete section 2, 4, 5, 5.1, 6 (if applicable), 7, 8 & 9
- Trusts/superannuation funds:**
- with an individual trustee – complete sections 2, 3, 5, 6 (if applicable), 7, 8 & 9
  - with a company as a trustee – complete sections 2, 4, 5, 6 (if applicable), 7, 8 & 9

If you are an Association, Co-operative, Partnership, Government Body or other type of entity not listed above, please contact Equity Trustees.

## SECTION 2 – INVESTMENT DETAILS

Investment to be held in the name(s) of (must include name(s) of investor(s))

Postal address

Suburb

State

Postcode

Country

Email address

Contact no.

FUND/TRUST NAME	APIR CODE	APPLICATION AMOUNT (AUD)
PAC Global Innovation Fund - Retail Class	ETL7700AU	\$

The minimum initial investment is \$1,000

### Distribution Instructions

If you do not select a distribution option, we will automatically reinvest your distribution. If you select cash, please ensure you provide your bank details below.

- Reinvest distributions** if you select this option your distribution will be reinvested in the Fund/Trust
- Pay distributions to the bank** if you select this option your distribution will be paid to the bank account below

### Investor bank details

For withdrawals and distributions (if applicable), these must match the investor(s)' name and must be an AUD-denominated bank account with an Australian domiciled bank.

Financial institution name and branch location

BSB number

Account number

Account name

### Payment method

Direct credit – pay to:

Financial institution name and branch location	Australia and New Zealand Banking Group Limited, 388 Collins Street, Melbourne, VIC, 3000
BSB number	013 006
Account number	838380756
Account name	EQUITY TRUSTEES LTD ATF P.A.C. CAPITAL FUND
Reference	<Investor Name>

## Source of investment

Please indicate the source of the investment amount (e.g. retirement savings, employment income):

### Send your completed Application Form to:

Apex Fund Services (Australia) Pty Ltd  
Attn: Investor Services  
PO Box 189, Flinders Lane VIC 8009  
Fax: +61 2 9475 1417  
Email: [ssg.aus@apexfs.com](mailto:ssg.aus@apexfs.com)

**Please ensure you have completed all relevant sections and signed the Application Form**

**SECTION 3 – INVESTOR DETAILS – INDIVIDUALS/JOINT**

Please complete if you are investing individually, jointly or you are an individual or joint trustee.

**See Group A AML/CTF Identity Verification Requirements in Section 9****Investor 1**

Title	First name(s)	Surname
<input type="text"/>	<input type="text"/>	<input type="text"/>

Residential address (not a PO Box/RMB/Locked Bag)

Suburb	State	Postcode	Country
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Email address

(Statements will be sent to this address, unless you elect otherwise in Section 6)

Contact no.

Date of birth (DD/MM/YYYY)

 /  / 

Tax File Number\* – or exemption code

Country of birth

Occupation

Does the investor named above hold a prominent public position or function in a government body (local, state, territory, national or foreign) or in an international organisation or are you an immediate family member or a business associate of such a person?

No

Yes, please give details:

**Investor 2**

Title	First name(s)	Surname
<input type="text"/>	<input type="text"/>	<input type="text"/>

Residential address (not a PO Box/RMB/Locked Bag)

Suburb	State	Postcode	Country
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Email address

(Statements will be sent to this address, unless you elect otherwise in Section 6)

Contact no.

Date of birth (DD/MM/YYYY)

 /  / 

Tax File Number\* – or exemption code

Country of birth

Occupation

Does the investor named above hold a prominent public position or function in a government body (local, state, territory, national or foreign) or in an international organisation or are you an immediate family member or a business associate of such a person?

No

Yes, please give details:

If there are more than 2 registered owners, please provide details as an attachment.

## SECTION 4 – INVESTOR DETAILS – COMPANIES/CORPORATE TRUSTEE

Please complete if you are investing for a company or where the company is acting as trustee.

**See Group B AML/CTF Identity Verification Requirements in Section 9**

Full company name (as registered with ASIC or relevant foreign registered body)

Registered office address (not a PO Box/RMB/Locked Bag)

Suburb

State

Postcode

Country

Australian Company Number

Tax File Number\* – or exemption code

Australian Business Number\* (if registered in Australia) or equivalent foreign company identifier

### Contact Person

Title

First name(s)

Surname

Email address

(Statements will be sent to this address, unless you elect otherwise in Section 6)

Contact no.

**Principal place of business:** If the principal place of business is the same as the registered office street address, state 'As above' below. Otherwise provide address details. For foreign companies registered with ASIC please provide a local agent name and address if you do not have a principal place of business in Australia.

**Principal Place of Business Address (not a PO Box/RMB/Locked Bag)**

Suburb

State

Postcode

Country

### Registration details

Name of regulatory body

Identification number (e.g. ARBN)

### Controlling Persons, Directors and Beneficial Owners

All beneficial owners who own, hold or control either directly or indirectly 25% or more of the issued capital of a proprietary or private company that is not regulated i.e. does not have an AFSL or ACLN etc., will need to provide Group A AML/CTF Identity Verification Requirements specified in Section 9. In the case of an unregulated public company not listed on a securities exchange, provide the details of the senior managing official(s) as controlling person(s) (e.g. managing director, senior executive(s) etc. who is/are authorised to sign on the company's behalf, and make policy, operational and financial decisions) in the following sections. All proprietary and private companies, whether regulated or unregulated, must provide the names of all of the directors.



**Names of the Directors of a Proprietary or Private Company whether regulated or unregulated**

1	2
3	4

If there are more than 4 directors, please write the other names below.

**Names of the Beneficial Owners or Senior Managing Official(s)**

**Select:**

- Beneficial owner 1 of an unregulated proprietary or private company; OR
- Senior Managing Official of an unregulated, unlisted, public (e.g. Limited) company

Title	First name(s)	Surname

Residential address (not a PO Box/RMB/Locked Bag)

Suburb	State	Postcode	Country

Date of birth (DD/MM/YYYY)

	/		/	
--	---	--	---	--

Does the beneficial owner named above hold a prominent public position or function in a government body (local, state, territory, national or foreign) or in an international organisation or are you an immediate family member or a business associate of such a person?

- No
- Yes, please give details:

**Select:**

- Beneficial owner 2 of an unregulated proprietary or private company; OR
- Senior Managing Official of an unregulated, unlisted, public (e.g. Limited) company

Title	First name(s)	Surname

Residential address (not a PO Box/RMB/Locked Bag)

Suburb	State	Postcode	Country

Date of birth (DD/MM/YYYY)

	/		/	
--	---	--	---	--

Does the beneficial owner named above hold a prominent public position or function in a government body (local, state, territory, national or foreign) or in an international organisation or are you an immediate family member or a business associate of such a person?

- No
- Yes, please give details:

**If there are more than 2 beneficial owners or managing officials, please copy and complete this page for the other persons or alternatively, provide the additional details as an attachment.**

## SECTION 5 – INVESTOR DETAILS – TRUSTS/SUPERANNUATION FUNDS

Please complete if you are investing for a trust or superannuation fund.

**See Group C AML/CTF Identity Verification Requirements in section 9**

Full name of trust or superannuation fund

Full name of business (if any)

Country where established

Australian Business Number\* (if obtained)

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Tax File Number\* – or exemption code

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Trustee details – How many trustees are there?

- Individual trustee(s)** – complete Section 3 – Investor details – Individuals/Joint
- Company trustee(s)** – complete Section 4 – Investor details – Companies/Corporate Trustee
- Combination** – trustee(s) to complete each relevant section

### Type of Trust

- Registered Managed Investment Scheme**

Australian Registered Scheme Number (ARSN)

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- Regulated Trust** (including self-managed superannuation funds and registered charities that are trusts)

Name of Regulator (e.g. ASIC, APRA, ATO, ACNC)

Registration/Licence details or ABN

- Other Trust** (unregulated)

Please describe

#### Beneficiaries of an unregulated trust

Please provide details below of any beneficiaries who directly or indirectly are entitled to an interest of 25% or more of the trust.

1	2
3	4

If there are no beneficiaries of the trust, describe the class of beneficiary (e.g. the name of the family group, class of unit holders, the charitable purpose or charity name):

**Other Trust** (unregulated) Continued

**Settlor details**

Please provide the full name and last known address of the settlor of the trust where the initial asset contribution to the trust was greater than \$10,000.

- This information is not required if the initial asset contribution was less than \$10,000, and/or
- This information is not required if the settlor is deceased

Settlor's full name and last known address


Beneficial owners of an unregulated trust

Please provide details below of any beneficial owner of the trust. A beneficial owner is any individual who directly or indirectly has a 25% or greater interest in the trust or is a person who exerts control over the trust. This includes the appointer of the trust who holds the power to appoint or remove the trustees of the trust.

**All beneficial owners will need to provide Group A AML/CTF Identity Verification Requirements in Section 9**

**Beneficial owner 1 or Controlling Person 1**

Select:

- Beneficial owner 1; OR

- Controlling Person – What is the role e.g. Appointer:

Title

First name(s)

Surname




Residential address (not a PO Box/RMB/Locked Bag)

Suburb

State

Postcode

Country





Date of birth (DD/MM/YYYY)

 /  / 

Does the beneficial owner named above hold a prominent public position or function in a government body (local, state, territory, national or foreign) or in an international organisation or are you an immediate family member or a business associate of such a person?

- No
- Yes, please give details:

**Beneficial owner 2 or Controlling Person 2**

Select:

- Beneficial owner 2; OR

- Controlling Person – What is the role e.g. Appointer:

Title

First name(s)

Surname




Residential address (not a PO Box/RMB/Locked Bag)

Suburb

State

Postcode

Country





Date of birth (DD/MM/YYYY)

 /  /

Does the beneficial owner named above hold a prominent public position or function in a government body (local, state, territory, national or foreign) or in an international organisation or are you an immediate family member or a business associate of such a person?

No  Yes, please give details:

**If there are more than 2 beneficial owners or controlling persons, please copy and complete this page for the other persons or alternatively, provide the additional details as an attachment.**

## **SECTION 5.1 – CUSTODIAN ATTESTATION: CHAPTER 4, PARTS 4.4.18 AND 4.4.19 OF THE AML/CTF RULES**

**If you are a Company completing this Application Form on behalf of an individual, another company, a trust or other entity, in a Custodial capacity, please complete this section.**

In accordance with Chapter 4, part 4.4.19 (1)(a) to (d) of the AML/CTF Rules, does the Custodian meet the definition (see 'Section 10 – Glossary') of a Custodian?

No  Yes

In accordance with Chapter 4, part 4.4.19 (e) of the AML/CTF Rules, do you, in your capacity as Custodian attest that prior to requesting this designated service from Equity Trustees, it has carried out and will continue to carry out, all applicable customer identification procedures on the underlying account holder named or to be named in the Fund's register, including conducting ongoing customer due diligence requirements in accordance with Chapter 15 of the AML/CTF Rules?

No  Yes

If you answered YES to all of the above questions, then Equity Trustees is able to apply the Chapter 4, part 4.4 Custodian rules to this account and will rely upon the customer due diligence conducted by the Custodian on the underlying account holder named or to be named in the Fund's register.

If requested to do so at any time after the provision of this designated service, the Custodian agrees to honour any reasonable request made by Equity Trustees for information or evidence about the underlying account holder in order to allow Equity Trustees to meet its obligations under the AML/CTF Act.

No  Yes

Excepting the below circumstances where the custodian answered NO or did not complete any of the above questions, no other information about the underlying account holder is required to be collected. However, further information about you as the Custodian and as a company is required to be collected and verified as required by the AML/CTF rules. Please complete the rest of this form for the Custodian.

### **Excepting circumstances:**

If you answered NO or did not complete any of the above questions, then we are unable to apply the Chapter 4, part 4.4 Custodian rules to this application. We are therefore obligated to conduct full Know Your Client procedures on the underlying account holder named or to be named in the Fund's register including any named nominee, as well as the trustees, beneficial owners and controlling persons of the underlying named account in addition to the Custodian. Therefore, please complete the relevant forms and provide identity documents for all parties connected to this account.

## SECTION 6 – AUTHORISED REPRESENTATIVE, AGENT AND/OR FINANCIAL ADVISER

Please complete if you are appointing an authorised representative, agent and/or financial adviser.

**See Group D AML/CTF Identity Verification Requirements in Section 9**

- I am an **authorised representative or agent** as nominated by the investor(s)

You must attach a valid authority such as Power of Attorney, guardianship order, grant of probate, appointment of bankruptcy etc. that is a certified copy. The document must be current and complete, signed by the investor or a court official and permits the authorised representative or agent to transact on behalf of the investor.

Full name of authorised representative or agent

Role held with investor(s)

Signature

Date



- I am a **financial adviser** as nominated by the investor

Name of adviser

AFSL number



Dealer group

Name of advisory firm



Postage address

Suburb

State

Postcode

Country





Email address

Contact no.



### Financial Advice (only complete if applicable)

- The investor has received personal financial product advice in relation to this investment from a licensed financial adviser and that advice is current.

### Financial Adviser Declaration

- I/We hereby declare that I/we are not a US Person as defined in the PDS/IM.
- I/We hereby declare that the investor is not a US Person as defined in the PDS/IM.
- I/We have attached the relevant CIP documents;

Signature

Date



## Access to information

Unless you elect otherwise, your authorised representative, agent and/or financial adviser will also be provided access to your investment information and/or receive copies of statements and transaction confirmations. By appointing an authorised representative, agent and/or financial adviser you acknowledge that you have read and agreed to the terms and conditions in the PDS/IM relating to such appointment.

- Please tick this box if you DO NOT want your authorised representative, agent and/or financial adviser to have access to information about your investment.
- Please tick this box if you DO NOT want copies of statements and transaction confirmations sent to your authorised representative, agent and/or financial adviser.
- Please tick this box if you want statements and transaction confirmations sent ONLY to your authorised representative, agent and/or financial adviser.

## SECTION 7 – FOREIGN ACCOUNT TAX COMPLIANCE ACT (FATCA), COMMON REPORTING STANDARD (CRS) SELF-CERTIFICATION FORM – ALL INVESTORS MUST COMPLETE

### Sub-Section I – Individuals

Please fill this Sub-Section I only if you are an individual. If you are an entity, please fill Sub-Section II.

#### 1. Are you a US tax resident (e.g. US citizen or US resident)?

- Yes: provide your US Taxpayer Identification Number (TIN) and continue to question 2

Investor 1

Investor 2


- No: continue to question 2

#### 2. Are you a tax resident of any other country outside of Australia?

- Yes: state each country and provide your TIN or equivalent (or Reason Code if no TIN is provided) for each jurisdiction below and skip to question 12

##### Investor 1

Country/Jurisdiction of tax residence	TIN	If no TIN available enter Reason A, B or C
1		
2		

##### Investor 2

Country/Jurisdiction of tax residence	TIN	If no TIN available enter Reason A, B or C
1		
2		

*If more space is needed please provide details as an attachment.*

- No: skip to question 12

#### Reason Code:

If TIN or equivalent is not provided, please provide reason from the following options:

- Reason A: The country/jurisdiction where the investor is resident does not issue TINs to its residents.
- Reason B: The investor is otherwise unable to obtain a TIN or equivalent number (Please explain why the investor is unable to obtain a TIN in the below table if you have selected this reason).
- Reason C: No TIN is required. (Note. Only select this reason if the domestic law of the relevant jurisdiction does not require the collection of the TIN issued by such jurisdiction).

If Reason B has been selected above, explain why you are not required to obtain a TIN:

	Reason B explanation
Investor 1	
Investor 2	

## Sub-Section II – Entities

Please fill this Sub-Section II only if you are an entity. If you are an individual, please fill Sub-Section I.

### 3. Are you an Australian complying superannuation fund?

- Yes: skip to question 12
- No: continue to question 4

## FATCA

### 4. Are you a US Person?

- Yes: continue to question 5
- No: skip to question 6

### 5. Are you a Specified US Person?

- Yes: provide your TIN below and skip to question 7

- No: indicate exemption type and skip to question 7

### 6. Are you a Financial Institution for the purposes of FATCA?

- Yes: provide your Global Intermediary Identification Number (GIIN)

If you do not have a GIIN, please provide your FATCA status below and then continue to question 7. If you are a sponsored entity, please provide your GIIN above and your sponsor's details below and then continue to question 7.

- Exempt Beneficial Owner, provide type below:

- Deemed-Compliant FFI (other than a Sponsored Investment Entity or a Trustee Documented Trust), provide type below:

- Non-Participating FFI, provide type below:

- Sponsored Entity. Please provide the Sponsoring Entity's name and GIIN:


- Trustee Documented Trust. Please provide your Trustee's name and GIIN:


- Other, provide details:

- No: continue to question 7

**CRS****7. Are you a tax resident of any country outside of Australia and the US?**

- Yes: state each country and provide your TIN or equivalent (or Reason Code if no TIN is provided) for each jurisdiction below and continue to question 8

**Investor 1**

Country/Jurisdiction of tax residence	TIN	If no TIN available enter Reason A, B or C
1		
2		

**Investor 2**

Country/Jurisdiction of tax residence	TIN	If no TIN available enter Reason A, B or C
1		
2		

*If more space is needed please provide details as an attachment.*

**Reason Code:**

If TIN or equivalent is not provided, please provide reason from the following options:

- Reason A: The country/jurisdiction where the investor is resident does not issue TINs to its residents.
- Reason B: The investor is otherwise unable to obtain a TIN or equivalent number (Please explain why the investor is unable to obtain a TIN in the below table if you have selected this reason).
- Reason C: No TIN is required. (Note. Only select this reason if the domestic law of the relevant jurisdiction does not require the collection of the TIN issued by such jurisdiction).

If Reason B has been selected above, explain why you are not required to obtain a TIN:

	Reason B explanation
Investor 1	
Investor 2	

- No: continue to question 8

**8. Are you a Financial Institution for the purpose of CRS?**

- Yes: specify the type of Financial Institution below and continue to question 9

- Reporting Financial Institution
- Non-Reporting Financial Institution:
- Trustee Documented Trust
- Other: please specify:

--

- No: skip to question 10

**9. Are you an investment entity resident in a non-participating jurisdiction for CRS purposes and managed by another financial Institution?**

- Yes: skip to question 11
- No: skip to question 12

## Non-Financial Entities

### 10. Are you an Active Non-Financial Entity (Active NFE)?

- Yes: specify the type of Active NFE below and skip to question 12:
- Less than 50% of the entity's gross income from the preceding calendar year is passive income (e.g. dividends, distribution, interests, royalties and rental income) and less than 50% of its assets during the preceding calendar year are assets held for the production of passive income
- Corporation that is regularly traded or a related entity of a regularly traded corporation
- Provide name of Listed Entity:
- and exchange on which traded:
- Governmental Entity, International Organisation or Central Bank
- Other: please specify:
- No: you are a Passive Non-Financial Entity (Passive NFE). Continue to question 11

## Controlling Persons

### 11. Does one or more of the following apply to you:

- Is any natural person that exercises control over you (for corporations, this would include directors or beneficial owners who ultimately own 25% or more of the share capital) a tax resident of any country outside of Australia?
- If you are a trust, is any natural person including trustee, protector, beneficiary, settlor or any other natural person exercising ultimate effective control over the trust a tax resident of any country outside of Australia?
- Where no natural person is identified as exercising control of the entity, the controlling person will be the natural person(s) who holds the position of senior managing official.

- Yes. provide controlling person information below:

#### Controlling person 1

Title	First name(s)	Surname	
<input type="text"/>	<input type="text"/>	<input type="text"/>	
Residential address (not a PO Box/RMB/Locked Bag)			
<input type="text"/>			
Suburb	State	Postcode	Country
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Date of birth (DD/MM/YYYY)	<input type="text"/>	/	<input type="text"/>
	<input type="text"/>	/	<input type="text"/>

Country/Jurisdiction of tax residence	TIN	If no TIN available enter Reason A, B or C
1		
2		



**Controlling person 2**

Title	First name(s)	Surname
<input type="text"/>	<input type="text"/>	<input type="text"/>

Residential address (not a PO Box/RMB/Locked Bag)

Suburb	State	Postcode	Country
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Date of birth (DD/MM/YYYY)  /  / 

Country/Jurisdiction of tax residence	TIN	If no TIN available enter Reason A, B or C
1		
2		

*If there are more than 2 controlling persons, please provide details as an attachment.*

**Reason Code:**

If TIN or equivalent is not provided, please provide reason from the following options:

- Reason A: The country/jurisdiction where the investor is resident does not issue TINs to its residents.
- Reason B: The investor is otherwise unable to obtain a TIN or equivalent number (Please explain why the investor is unable to obtain a TIN in the below table if you have selected this reason).
- Reason C: No TIN is required. (Note. Only select this reason if the domestic law of the relevant jurisdiction does not require the collection of the TIN issued by such jurisdiction).

If Reason B has been selected above, explain why you are not required to obtain a TIN:

	Reason B explanation
Investor 1	
Investor 2	

No: continue to question 12

**12. Signature and Declaration – ALL investors must sign**

I undertake to provide a suitably updated self-certification within 30 days of any change in circumstances which causes the information contained herein to become incorrect.

I declare the information above to be true and correct.

**Investor 1**

Name of individual/entity

Name of authorised representative

Signature

Date

**Investor 2**

Name of individual/entity

Name of authorised representative

Signature

Date

## SECTION 8 – DECLARATIONS – ALL INVESTORS MUST COMPLETE

In most cases the information that you provide in this form will satisfy the AML/CTF Act, the US Foreign Account Tax Compliance Act (FATCA) and the Common Reporting Standard (CRS). However, in some instances the Responsible Entity may contact you to request further information. It may also be necessary for the Responsible Entity to collect information (including sensitive information) about you from third parties in order to meet its obligations under the AML/CTF Act, FATCA and CRS.

### When you complete this Application Form you make the following declarations:

- I/We have received the PDS/IM and made this application in Australia (and/or New Zealand for those offers made in New Zealand).
- I/We have read the PDS/IM to which this Application Form applies and agree to be bound by the terms and conditions of the PDS/IM and the Constitution of the relevant Fund/Trust in which I/we have chosen to invest.
- I/we have carefully considered the features of Fund/Trust as described in the PDS (including its investment objectives, minimum suggested investment timeframe, risk level, withdrawal arrangements and investor suitability) and, after obtaining any financial and/or tax advice that I/we deemed appropriate, am/are satisfied that my/our proposed investment in the Fund/Trust is consistent with my/our investment objectives, financial circumstances and needs.\*
- I/We have considered our personal circumstances and, where appropriate, obtained investment and/or taxation advice.
- I/We hereby declare that I/we are not a US Person as defined in the PDS/IM.
- I/We acknowledge that (if a natural person) I am/we are 18 years of age or over and I am/we are eligible to hold units in the Fund/Trust in which I/We have chosen to invest.
- I/We acknowledge and agree that Equity Trustees has outlined in the PDS/IM provided to me/us how and where I/we can obtain a copy of the Equity Trustees Group Privacy Statement.
- I/We consent to the transfer of any of my/our personal information to external third parties including but not limited to fund administrators, fund investment manager(s) and related bodies corporate who are located outside Australia for the purpose of administering the products and services for which I/we have engaged the services of Equity Trustees or its related bodies corporate and to foreign government agencies for reporting purposes (if necessary).
- I/we hereby confirm that the personal information that I/we have provided to Equity Trustees is correct and current in every detail, and should these details change, I/we shall promptly advise Equity Trustees in writing of the change(s).
- I/We agree to provide further information or personal details to the Responsible Entity if required to meet its obligations under anti-money laundering and counter-terrorism legislation, US tax legislation or reporting legislation and acknowledge that processing of my/our application may be delayed and will be processed at the unit price applicable for the Business Day as at which all required information has been received and verified.
- If I/we have provided an email address, I/we consent to receive ongoing investor information including PDS/IM information, confirmations of transactions and additional information as applicable via email.
- I/We acknowledge that Equity Trustees does not guarantee the repayment of capital or the performance of the Fund/Trust or any particular rate of return from the Fund/Trust.
- I/We acknowledge that an investment in the Fund/Trust is not a deposit with or liability of Equity Trustees and is subject to investment risk including possible delays in repayment and loss of income or capital invested.
- I/We acknowledge that Equity Trustees is not responsible for the delays in receipt of monies caused by the postal service or the investor's bank.
- If I/we lodge a fax application request, I/we acknowledge and agree to release, discharge and agree to indemnify Equity Trustees from and against any and all losses, liabilities, actions, proceedings, account claims and demands arising from any fax application.
- If I/we have completed and lodged the relevant sections on authorised representatives, agents and/or financial advisers on the Application Form then I/we agree to release, discharge and indemnify Equity Trustees from and against any and all losses, liabilities, actions, proceedings, account claims and demands arising from Equity Trustees acting on the instructions of my/our authorised representatives, agents and/or financial advisers.
- If this is a joint application each of us agrees that our investment is held as joint tenants.
- I/We acknowledge and agree that where the Responsible Entity, in its sole discretion, determines that:
  - I/we are ineligible to hold units in a Fund/Trust or have provided misleading information in my/our Application Form; or
  - I/we owe any amounts to Equity Trustees, then I/we appoint the Responsible Entity as my/our agent to submit a withdrawal request on my/our behalf in respect of all or part of my/our units, as the case requires, in the Fund/Trust.
- **For Wholesale Clients\*** – I/We acknowledge that I am/we are a Wholesale Client (as defined in Section 761G of the Corporations Act 2001 (Cth)) and are therefore eligible to hold units in the Fund/Trust.
- **For New Zealand applicants\*** – I/we have read the terms of the offer relating to New Zealand investors, including the New Zealand warning statement.
- **For New Zealand Wholesale Investors\*** – I/We acknowledge and agree that:
  - I/We have read the “New Zealand Wholesale Investor Fact Sheet” and PDS/IM or “New Zealand Investors: Selling Restriction” for the Fund/Trust;
  - I am/We are a Wholesale Investor and am/are therefore eligible to hold units in the Fund/Trust; and
  - I/We have not:

- Offered, sold, or transferred, and will not offer, sell, or transfer, directly or indirectly, any units in the Fund/Trust;
  - Granted, issued, or transferred, and will not grant, issue, or transfer, any interests in or options over, directly or indirectly, any units in the Fund/Trust; and
  - Distributed and will not distribute, directly or indirectly, the PDS/IM or any other offering materials or advertisement in relation to any offer of units in the Fund/Trust, in each case in New Zealand, other than to a person who is a Wholesale Investor; and
- I/We will notify Equity Trustees if I/we cease to be a Wholesale Investor; and
  - I/We have separately provided a signed Wholesale Investor Certification located at the end of this Application Form.

All references to Wholesale Investor in this Declaration are a reference to Wholesale Investor in terms of clause 3(2) of Schedule 1 of the Financial Markets Conduct Act 2013 (New Zealand).

\* Disregard if not applicable.

**\*Terms and conditions for collection of Tax File Numbers (TFN) and Australian Business Numbers (ABN)**

Collection of TFN and ABN information is authorised and its use and disclosure strictly regulated by tax laws and the Privacy Act. Investors must only provide an ABN instead of a TFN when the investment is made in the course of their enterprise. You are not obliged to provide either your TFN or ABN, but if you do not provide either or claim an exemption, we are required to deduct tax from your distribution at the highest marginal tax rate plus Medicare levy to meet Australian taxation law requirements.

For more information about the use of TFNs for investments, contact the enquiries section of your local branch of the ATO. Once provided, your TFN will be applied automatically to any future investments in the Fund/Trust where formal application procedures are not required (e.g. distribution reinvestments), unless you indicate, at any time, that you do not wish to quote a TFN for a particular investment. Exempt investors should attach a copy of the certificate of exemption. For super funds or trusts list only the applicable ABN or TFN for the super fund or trust.

**When you sign this Application Form you declare that you have read, agree to and make the declarations above**

**Investor 1**

Name of individual/entity

Capacity (e.g. Director, Secretary, Authorised signatory)

Signature

Date

Company Seal (if applicable)

**Investor 2**

Name of individual/entity

Capacity (e.g. Director, Secretary, Authorised signatory)

Signature

Date

## SECTION 9 – AML/CTF IDENTITY VERIFICATION REQUIREMENTS

The AML/CTF Act requires the Responsible Entity to adopt and maintain an Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) Program. The AML/CTF Program includes ongoing customer due diligence, which may require the Responsible Entity to collect further information.

- Identification documentation provided must be in the name of the investor.
- Non-English language documents must be translated by an accredited translator. Provide both the foreign language document and the accredited English translation.
- Applications made without providing this information cannot be processed until all the necessary information has been provided.
- If you are unable to provide the identification documents described please contact Equity Trustees.

These documents should be provided as an original or a CERTIFIED COPY of the original.

### Who can certify?

Below is an example of who can certify proof of ID documents under the AML/CTF requirements:

- Bailiff
- Bank officer with 5 or more years of continuous service
- Building society officer with 5 or more years of continuous service
- Chiropractor (licensed or registered)
- Clerk of court
- Commissioner for Affidavits
- Commissioner for Declarations
- Credit union officer with 5 or more years of continuous service
- Dentist (licensed or registered)
- Fellow of the National Tax Accountant's Association
- Finance company officer with 5 or more years of continuous service
- Judge of a court
- Justice of the peace
- Legal practitioner (licensed or registered)
- Magistrate
- Marriage celebrant licensed or registered under Subdivision C of Division 1 of Part IV of the Marriage Act 1961
- Master of a court
- Medical practitioner (licensed or registered)
- Member of Chartered Secretaries Australia
- Member of Engineers Australia, other than at the grade of student
- Member of the Association of Taxation and Management Accountants
- Member of the Australian Defence Force with 5 or more years of continuous service
- Member of the Institute of Chartered Accountants in Australia, the Australian Society of Certified Practising Accountants or the Institute of Public Accountants
- Member of the Parliament of the Commonwealth, a State, a Territory Legislature, or a local government authority of a State or Territory
- Minister of religion licensed or registered under Subdivision A of Division 1 of Part IV of the Marriage Act 1961
- Nurse (licensed or registered)
- Optometrist (licensed or registered)
- Permanent employee of Commonwealth, State or local government authority with at least 5 or more years of continuous service.
- Permanent employee of the Australian Postal Corporation with 5 or more years of continuous service
- Pharmacist (licensed or registered)
- Physiotherapist (licensed or registered)
- Police officer
- Psychologist (licensed or registered)
- Registrar, or Deputy Registrar, of a court
- Sheriff
- Teacher employed on a full-time basis at a school or tertiary education institution
- Veterinary surgeon (licensed or registered)

### When certifying documents, the following process must be followed:

- All copied pages of original proof of ID documents must be certified and the certification must not be older than 2 years.
- The authorised individual must ensure that the original and the copy are identical; then write or stamp on the copied document "certified true copy". This must be followed by the date and signature, printed name and qualification of the authorised individual.
- In cases where an extract of a document is photocopied to verify customer ID, the authorised individual should write or stamp "certified true extract".

**GROUP A – Individuals/Joint**

Each individual investor, individual trustee, beneficial owner, or individual agent or authorised representative must provide one of the following primary photographic ID:

- A current Australian driver's licence (or foreign equivalent) that includes a photo and signature.
- An Australian passport (not expired more than 2 years previously).
- A foreign passport or international travel document (must not be expired)
- An identity card issued by a State or Territory Government that includes a photo.

If you do NOT own one of the above ID documents, please provide one valid option from Column A and one valid option from Column B.

**Column A**

- Australian birth certificate.
- Australian citizenship certificate.
- Pension card issued by Department of Human Services.

**Column B**

- A document issued by the Commonwealth or a State or Territory within the preceding 12 months that records the provision of financial benefits to the individual and which contains the individual's name and residential address.
- A document issued by the Australian Taxation Office within the preceding 12 months that records a debt payable by the individual to the Commonwealth (or by the Commonwealth to the individual), which contains the individual's name and residential address. Block out the TFN before scanning, copying or storing this document.
- A document issued by a local government body or utilities provider within the preceding 3 months which records the provision of services to that address or to that person (the document must contain the individual's name and residential address).
- If under the age of 18, a notice that: was issued to the individual by a school principal within the preceding 3 months; and contains the name and residential address; and records the period of time that the individual attended that school.

## GROUP B – Companies

For Australian Registered Companies, provide one of the following (must clearly show the Company's full name, type (private or public) and ACN):

- A certified copy of the company's Certificate of Registration or incorporation issued by ASIC.
- A copy of information regarding the company's licence or other information held by the relevant Commonwealth, State or Territory regulatory body e.g. AFSL, RSE, ACL etc.
- A full company search issued in the previous 3 months or the company's last annual statement issued by ASIC.
- If the company is listed on an Australian securities exchange, provide details of the exchange and the ticker (issuer) code.
- If the company is a majority owned subsidiary of a company listed on an Australian securities exchange, provide details of the holding company name, its registration number e.g. ACN, the securities exchange and the ticker (issuer) code.

All of the above must clearly show the company's full name, its type (i.e. public or private) and the ACN issued by ASIC.

For Foreign Companies, provide one of the following:

- A certified copy of the company's Certificate of Registration or incorporation issued by the foreign jurisdiction(s) in which the company was incorporated, established or formed.
- A certified copy of the company's articles of association or constitution.
- A copy of a company search on the ASIC database or relevant foreign registration body.
- A copy of the last annual statement issued by the company regulator.

All of the above must clearly show the company's full name, its type (i.e. public or private) and the ARBN issued by ASIC, or the identification number issued to the company by the foreign regulator.

**In addition, please provide verification documents for each beneficial owner or controlling person (senior managing official and shareholder) as listed under Group A.**

A beneficial owner of a company is any person entitled (either directly or indirectly) to exercise 25% or more of the voting rights, including a power of veto, or who holds the position of senior managing official (or equivalent) and is thus the controlling person.



## GROUP C – Trusts

For a Registered Managed Investment Scheme, Government Superannuation Fund or a trust registered with the Australian Charities and Not-for-Profit Commission (ACNC), or a regulated, complying Superannuation Fund, retirement or pension fund (including a self-managed super fund), provide one of the following:

- A copy of the company search of the relevant regulator's website e.g. APRA, ASIC or ATO.
- A copy or relevant extract of the legislation establishing the government superannuation fund sourced from a government website.
- A copy from the ACNC of information registered about the trust as a charity
- Annual report or audited financial statements.
- A certified copy of a notice issued by the ATO within the previous 12 months.
- A certified copy of an extract of the Trust Deed (i.e. cover page and signing page and first two pages that describes the trust, its purpose, appointer details and settlor details etc.)

For all other Unregulated trust (including a Foreign trust), provide the following:

- A certified copy of an extract of the Trust Deed (i.e. cover page and signing page and first two pages that describes the trust, its purpose, appointer details and settlor details etc.)

**If the trustee is an individual, please also provide verification documents for one trustee as listed under Group A.**

**If the trustee is a company, please also provide verification documents for a company as listed under Group B.**

## GROUP D – Authorised Representatives and Agents

In addition to the above entity groups:

- If you are an **Individual Authorised Representative or Agent** – please also provide the identification documents listed under Group A.
- If you are a **Corporate Authorised Representative or Agent** – please also provide the identification documents listed under Group B.

All Authorised Representatives and Agents must also provide a certified copy of their authority to act for the investor e.g. the POA, guardianship order, Executor or Administrator of a deceased estate, authority granted to a bankruptcy trustee, authority granted to the State or Public Trustee etc.

## SECTION 10 – GLOSSARY

Custodian – means a company that:

- a) is acting in the capacity of a trustee; and
- b) is providing a custodial or depository service of the kind described in item 46 of table 1 in subsection 6(2) of the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML/CTF Act); and
- c) either:
  - i. holds an Australian financial services licence authorising it to provide custodial or depository services under the Corporations Act 2001; or
  - ii. is exempt under the Corporations Act 2001 from the requirement to hold such a licence; and
- d) either:
  - i. satisfies one of the 'geographical link' tests in subsection 6(6) of the AML/CTF Act; or
  - ii. has certified in writing to the relevant reporting entity that its name and enrolment details are entered on the Reporting Entities Roll; and
- e) has certified in writing to the relevant reporting entity that it has carried out all applicable customer identification procedures and ongoing customer due diligence requirements in accordance with Chapter 15 of the AML/CTF Rules in relation to its underlying customers prior to, or at the time of, becoming a customer of the reporting entity.