

# Armytage Strategic Opportunities Fund - Wholesale Class



## Product Disclosure Statement

mFund ACY02  
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### About this PDS

This Product Disclosure Statement ("PDS") has been prepared and issued by Equity Trustees Limited ("Equity Trustees", "we" or "Responsible Entity") and is a summary of the significant information relating to an investment in the Armytage Strategic Opportunities Fund - Wholesale Class (the "Fund"). It contains a number of references to important information (including a glossary of terms) contained in the Armytage Reference Guide ("Reference Guide"), which forms part of this PDS. You should carefully read and consider both the information in this PDS, and the information in the Reference Guide, before making a decision about investing in the Fund.

The information provided in this PDS is general information only and does not take account of your personal objectives, financial situation or needs. You should obtain financial and taxation advice tailored to your personal circumstances and consider whether investing in the Fund is appropriate for you in light of those circumstances.

The offer to which this PDS relates is only available to persons receiving the PDS in Australia.

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 Securities Act of 1933 as amended ("US Securities Act"). Equity Trustees may vary this position and offers may be accepted on merit at Equity Trustees' discretion. The units in the Fund have not been, and will not be, registered under the US Securities Act unless otherwise approved by Equity Trustees and may not be offered or sold in the US to, or for, the account of any US Person (as defined in the Reference Guide) except in a transaction that is exempt from the registration requirements of the US Securities Act and applicable US state securities laws.

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### The Reference Guide

Throughout the PDS, there are references to additional information contained in the Reference Guide. You can obtain a copy of the PDS and the Reference Guide, free of charge, by visiting [www.armytage.com.au](http://www.armytage.com.au) or calling Armytage Private Pty Ltd on +613 9674 0600 or by calling the Responsible Entity.

The information contained in the Reference Guide may change between the day you receive this PDS and the day you acquire the product. You must therefore ensure that you have read the Reference Guide current as at the date of your application.

### Updated information

Information in this PDS is subject to change. We will notify you of any changes that have a material adverse impact on you or other significant events that affect the information contained in this PDS. Any information that is not materially adverse information is subject to change from time to time and may be obtained by visiting [www.armytage.com.au](http://www.armytage.com.au) or calling Armytage Private Pty Ltd on +613 9674 0600. A paper copy of the updated information will be provided free of charge on request.

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# 1. About Equity Trustees Limited

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

## The Investment Manager

### Armytage Private Pty Limited

Armytage Private Pty Ltd ("Armytage") has an experienced investment team that has been assembled from a variety of Australian and international financial services fields predominantly in funds management, share-broking, superannuation and wealth management. Armytage has managed various mandates in Australian securities for a broad range of wholesale investors. Since Armytage's inception it has focused on Australian listed securities (including Exchange Traded Options) and domestic cash. Armytage has managed various mandates in Australian securities for a broad range of wholesale investors. At the date of this PDS Armytage manages in excess of 30 pooled funds and discrete investment mandates.

Armytage has an Investment Committee which comprises experienced investment and financial services professionals. The role of the Investment Committee is to make asset allocation and investment decisions in accordance with investment mandates, review research material and monitor the Fund's investment portfolio and performance.

The Investment Team has 8 core members with over 200 years combined experience in the industry. The Investment Team meets regularly to discuss the stocks in the Investment Universe with the analyst for each sector providing an update on key information in relation to their stocks and the review of any new Investment Theses and financial models. Each analyst also provides periodic updates on their confidence levels in the views on each stock included in the portfolio. These meetings also discuss the economic and thematic matters impacting the stocks in the portfolio.

For more information on Armytage, including funds under management please visit their website [www.armytage.com.au](http://www.armytage.com.au).

## 2. How the Armytage Strategic Opportunities - Wholesale Fund works

The Fund is a registered managed investment scheme governed by the Constitution. The Fund comprises assets which are acquired in accordance with the Fund's investment strategy. Direct investors receive units in the Fund when they invest. In general, each unit represents an equal interest in the assets of the Fund subject to liabilities; however, it does not give investors an interest in any particular asset of the Fund.

If you invest in the Fund through an IDPS (as defined in the Reference Guide) you will not become an investor in the Fund. The operator or custodian of the IDPS will be the investor entered in the Fund's register and will be the only person who is able to exercise the rights and receive the benefits of a direct investor. Your investment in the Fund through the IDPS will be governed by the terms of your IDPS. Please direct any queries and requests relating to your investment to your IDPS Operator. Unless otherwise stated, the information in the PDS applies to direct investors.

## Applying for units

You can acquire units by completing the Application Form that accompanies this PDS or by making an application through the mFund settlement service ("mFund") by placing a buy order for units with your licensed broker. The minimum initial investment amount for the Fund is \$15,000.

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

Mainstream Fund Services  
Client Services Registry Team  
GPO Box 4968  
Sydney NSW 2001

Please note that cash cannot be accepted.

Ask your licensed broker to apply for units in the Fund via mFund. In this situation you will need to provide the application money in relation to your application to your licensed broker.

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 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 Fund, divided by the number of units on issue and adjusted for transaction costs ("Buy Spread"). At the date of this PDS, the Buy Spread is 0.25%.

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

## Making additional investments

You can make additional investments into the Fund at any time by sending us your additional investment amount together with a completed Application Form or by making an application for units through mFund. Minimum additional investment is \$5,000.

## 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 by the investor at the end of the distribution period.

The Fund usually distributes income semi-annually at the end of June and December. Distributions are calculated effective the last day of each distribution period and are normally paid to investors as soon as practicable after the distribution calculation date.

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

- reinvested back into the Fund; 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 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.

## Access to your money

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

Mainstream Fund Services  
Client Services Registry Team  
GPO Box 4968  
Sydney NSW 2001

or by making a withdrawal request through mFund by placing a sell order for units with your licensed broker.

The minimum withdrawal amount is \$5,000. Once we receive and accept 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 or, where the request is received via mFund, to the investor's licensed broker. However, Equity Trustees is allowed to reject withdrawal requests, and also to make payment up to 30 days after acceptance of a request (which may be extended in certain circumstances) as outlined in the Constitution and Reference Guide.

We reserve the right to accept or reject withdrawal requests in whole or in part at our discretion.

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 Fund, divided by the number of units on issue and adjusted for transaction costs ("Sell Spread"). At the date of this PDS, the Sell Spread is 0.25%.

The Withdrawal Price will vary as the market value of assets in the Fund rises or falls.

Equity Trustees reserves the right to fully redeem your investment if your investment balance in the Fund falls below \$15,000 as a result of processing your withdrawal request. In certain circumstances, for example, when there is a freeze on withdrawals, where accepting a withdrawal is not in the best interests of investors in the Fund including due to one or more circumstances outside its control or where the Fund is not liquid (as defined in the Corporations Act), Equity Trustees can deny or suspend a withdrawal request and you may not be able to withdraw your funds in the usual processing times or at all. When the 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.

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.

## 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 the 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 will be made available free of charge on request.

## Additional information

If and when the Fund has 100 or more direct investors, it will be classified by the Corporations Act as a 'disclosing entity'. As a disclosing entity, the Fund will be subject to regular reporting and disclosure obligations. Investors would then 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 Fund may be obtained from ASIC through ASIC's website.

## Further reading...

You should read the important information in the Reference Guide about:

- Application cut-off times;
- Application terms;
- Authorised signatories;
- Reports;
- Withdrawal cut-off times;
- Withdrawal terms; and
- Withdrawal restrictions,

under the "Investing in the Armytage Funds", "Managing your investment" and "Withdrawing your investment" sections before making a decision. Go to the Reference Guide which is available at [www.armytage.com.au](http://www.armytage.com.au). The material relating to these matters may change between the time when you read this PDS and the day when you acquire the product.

## 3. Benefits of investing in the Armytage Strategic Opportunities - Wholesale Fund

The Fund is managed with a view to offering investors long-term capital growth potential and a semi-annual income stream, from a portfolio of micro, small and large-capitalisation investments that Armytage considers to be of high quality and good value.

A major feature differentiating Armytage's investment style from other investment managers is Armytage's philosophy of taking advantage of strategic or special opportunity investments. As part of its investment process, Armytage seeks to identify listed companies which are being discounted by the market, but still retain an asset (tangible or otherwise) which in Armytage's view, is of significant value to one or more third parties.

Another major differentiation is the use of Exchange Traded Options (ETOs) under a non-leveraged Buy-Write, Sell-Put strategy. Exchange Traded Options are a part of Armytage's active investment strategy for the Fund. These securities are designed to help increase the yield of the portfolio, assist to reduce market volatility and along with dividend income, provide a stable platform for semi-annual distribution payments to investors.

## 4. Risks of managed investment schemes

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 Fund. 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 Investment Manager do not guarantee the liquidity of the Fund's investments, repayment of capital or any rate of return or the Fund's investment performance. The value of the Fund's investments will vary. Returns are not guaranteed and you may lose money by investing in the Fund. 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 Fund 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 Fund is suitable for your circumstances. If you require personal financial or taxation advice, you should contact a licensed financial adviser and/or taxation adviser.

The Fund invests in listed securities and IPOs which can experience high price volatility. Investors need to consider this volatility in conjunction with the significant risks mentioned below and their investment timeframes. Typically, the shorter your investment timeframe, the greater the risk of loss of capital, however this may not always be the case.

### Investment selection risk

The investment manager uses an investment selection process to identify investment opportunities which it believes are mispriced by the sharemarket. By investing in such companies, there is the risk that the sharemarket may take time to understand the value of these companies, or alternatively, continue to take a different view on the value of such companies and price them downwards. The risk is mitigated to some extent by the knowledge and experience of the Investment Manager.

### Hybrid securities risk

Hybrid securities have the characteristics of both fixed interest (debt) and equity investments. They have an exposure to interest rate risk as well as 'Market Risk' in relation to equity markets. Generally hybrid securities provide for conversion from debt to equity in certain circumstances in accordance with their terms of issue. This can result in an increased risk of loss of capital and/or liquidity.

### Concentration risk

Concentration of investments in the Fund (between individual investments and types of investments) reduces the potential diversification benefits. As the Fund has a relatively concentrated portfolio of investments (approximately 25-35) it may experience higher volatility than a more diversified portfolio.

### Interest rate risk

Changes in official interest rates can directly and indirectly impact on investment returns. Generally, an increase in interest rates has a contractionary effect on the state of the economy and the valuation of securities. For example, rising interest rates can have a negative impact on a company's value as increased borrowing costs may cause earnings to decline. As a result, the company's share price may fall.

### Market risk

Changes in legal and economic policy, political events, technology failure, economic cycles, investor sentiment and social climate can all directly or indirectly create an environment that may influence (negatively or positively) the value of your investments in the Fund. In addition, a downward move in the general level of the equity market can have a negative influence on the performance of the Fund.

### Company specific risk

There may be instances where the value of a company's securities will fall because of company specific factors (for example, where a company's major product is subject to a product recall). The value of a company's securities can also vary because of changes to management, product, distribution or the company's business environment.

### Fund risk

As with all managed funds, there are risks particular to the Fund, including the possibility it could terminate, fees and expenses could change and the Responsible Entity and the Investment Manager may be replaced. There is also a risk that investing in the Fund may give different results than investing directly in the Fund's investments. This might occur because of income or capital gains accrued in the Fund and the consequence of withdrawals by other investors. We aim to keep Fund risk to a minimum by monitoring the Fund and acting in your best interests.

### Legal risk

There is a risk that laws, including tax laws, might change or become difficult to enforce. This risk is generally higher in emerging markets (in which the Fund does not invest).

### 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). However, trading volumes of investments are generally sufficient to satisfy liquidity requirements when necessary. The Investment Manager attempts to mitigate the liquidity risk factor by ensuring that the Fund has sufficient cash exposure to meet liquidity requirements. Note that neither the Responsible Entity nor the Investment Manager guarantee the liquidity of the Fund's investments.

### Derivatives risk

Derivatives risks include:

- the value of derivative positions not moving in line with the movement in the underlying asset;
- the potential illiquidity of the derivative;
- the Fund being unable to meet payment obligations as they arise; and
- counterparty risk where the counterparty does not meet its obligations.

Although not all risks can be eliminated, Armytage manages these risks as far as practicable by:

- constant monitoring of the Fund's derivative exposure;
- making sure that the Fund can pay all of the obligations of these assets from the investments of the Fund;
- not borrowing against Fund assets for the purposes of leveraging the portfolio;
- only investing in Exchange Traded Options (ETOs);
- only investing in derivatives that Armytage considers to have adequate market depth; and
- using intermediaries Armytage considers reputable.

## 5. How we invest your money

**Warning:** Before choosing to invest in the Fund you should consider the likely investment returns, the risks of investing and your investment time frame.

### Investment objective

The Fund is managed with a view to offer investors long-term capital growth potential and a regular semi-annual income stream, from a portfolio of micro, small and large-capitalisation investments that Armytage considers to be of high quality and good value.

The fund aims to provide a higher level of yield (2.5% above) than the S&P All Ordinaries, while matching or beating the total return of the index over the medium term.

### Minimum suggested time frame

The minimum suggested investment time frame for the Fund is 5 to 7 years.



## Risk level of the Fund

High.

There is a risk investors may lose some or all of their investment. Higher risk investments tend to fluctuate in the short term but can produce higher returns than lower risk investments over the long term.

## Investor suitability

The Fund is designed for investors who seek an exposure in Australian equities that is able to generate income and capital growth from a mix of strategic opportunities identified.

## Investment style and approach

Armytage's Value based investment style incorporates a bottom-up proprietary business valuation investment approach supplemented by top-down thematic overlays to identify the highest quality alpha opportunities in its investment universe. This approach allows Armytage to construct a portfolio of stocks providing relative-value over the investment time horizon.

Consistent with Armytage's business valuation approach, Armytage seeks to invest in businesses that have a clear and understandable business model, preferably have a history of generating profits, paying dividends and have forecastable future profits and cash flows. In this regard, Armytage tends to avoid investing in higher risk early stage companies that are research and development or exploration based.

The total portfolio will be continually reviewed in order to assess whether the Fund's objectives are being met.

## Asset allocation

As a guideline, the Fund is intended to hold a minimum of 10 different securities, with no more than 20% of the Fund's assets invested in a single security. The Fund's main investments will be in the following asset classes:

- securities listed on the Australian Stock Exchange ("ASX") or Newcastle Stock Exchange ("NSX");
- cash (and cash equivalents such as other investment grade interest-bearing securities);
- derivatives, in the circumstances described below; and
- hybrid securities listed on the ASX.

The assets of the Fund may also be invested in unlisted securities if Armytage reasonably expects that those securities will be quoted on the ASX within 12 months. Please note that securities which Armytage expects to be quoted on the ASX may not be granted official quotation by the ASX, as listing and quotation are within the ASX's complete discretion.

Armytage may use options (Exchange-Traded Options) and other derivatives to gain exposure to certain securities or to enhance both returns and income on the underlying physical investments. Armytage will not use derivatives for the purpose of gearing the Fund.

The asset classes described above have different performance, volatility and risk characteristics. Accordingly, Armytage has adopted the broad asset allocation range set out in the table below. These ranges and targets are guidelines only and Armytage reserves the right to hold investments outside them in appropriate circumstances.

| Allocation            | Target | Range     |
|-----------------------|--------|-----------|
| Australian securities | 70%    | 30 – 100% |
| Hybrid securities     | 10%    | 0 – 25%   |
| Cash (other)          | 20%    | 0 – 50%   |

## Changing the investment strategy

The investment strategy and asset allocation parameters may be changed. If a change is to be made, investors in the Fund will be notified in accordance with the Corporations Act.

## Labour, environmental, social and ethical considerations

Equity Trustees and Armytage do not take into account labour standards or environmental, social or ethical considerations for the purpose of selecting, retaining or realising investments of the Fund.

## Fund performance

Up to date information on the performance of the Fund will be available by calling Armytage on (+613) 9674 0600 or visit [www.armytage.com.au](http://www.armytage.com.au).

## 6. Fees and 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 account balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.

### TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website ([www.moneysmart.gov.au](http://www.moneysmart.gov.au)) has a managed funds fee calculator to help you check out different fee options.

The information in the following template can be used to compare costs between different simple managed investment schemes. Fees and costs can be paid directly from an investor's account or deducted from investment returns. For information on tax please see Section 7 of this PDS.

| TYPE OF FEE OR COST  | AMOUNT   |
|--|--|
| <b>Fees when your money moves in or out of the Fund</b>      |  |
| Establishment fee  | Nil  |
| Contribution fee   | Nil  |
| Withdrawal fee   | Nil  |
| Termination fee  | Nil  |
| <b>Management costs</b>                                      |  |
| The fees and costs for managing your investment <sup>1</sup> | <b>Management fees:</b> 1.31% p.a. of the NAV of the Fund <sup>2</sup> |

<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 management costs are calculated.

<sup>2</sup> Management fees can be negotiated. See "Differential fees" below.

## Additional Explanation of fees and costs

### What do the management costs pay for?

Management costs comprise the additional fees or costs that an investor incurs by investing in the Fund rather than by investing directly in the underlying assets of the Fund.

Management costs include management fees. In addition, management costs do not include transactional and operational costs (i.e. costs associated with investing the underlying assets, some of which may be met by Buy/Sell Spreads).

Management fees

The management fees of 1.31% p.a. of the NAV of the Fund are payable to the Responsible Entity of the Fund for managing the assets and overseeing the operations of the Fund. The management fees are accrued daily and paid from the Fund monthly in arrears and reflected in the unit price. As at the date of this PDS, ordinary expenses such as investment management fees, custodian fees, administration and audit fees, and other ordinary expenses of operating the Fund are covered by the management fees at no additional charge to you.

The management fees shown above do not include extraordinary expenses (if they are incurred in future), such as litigation costs and the costs of convening investor meetings.

Transactional and operational costs

In managing the assets of the Fund, the Fund may incur transactional and operational costs such as brokerage, settlement costs, clearing costs and applicable stamp duty when assets are bought and sold, and the costs of derivatives used for hedging purposes (if applicable). This generally happens when the assets of the Fund 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 Fund.

The Buy/Sell Spread reflects the estimated transaction costs incurred in buying or selling assets of the Fund when investors invest in or withdraw from the Fund. The Buy/Sell Spread is an additional cost to the investor but is incorporated into the unit price and incurred when an investor invests in or withdraws from the Fund and is not separately charged to the investor. The Buy Spread is paid into the Fund as part of an application and the Sell Spread is left in the Fund 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 \$15,000 is \$37.50 for each individual transaction. The Buy/Sell Spread can be altered by the Responsible Entity at any time. The Responsible Entity may also waive the Buy/Sell Spread in part or in full at its discretion.

Transactional costs which are incurred other than in connection with applications and withdrawals arise through the day-to-day trading of the Fund’s assets and are reflected in the Fund’s unit price. As these costs are factored into the NAV of the Fund and reflected in the unit price, they are an additional implicit cost to the investor and are not a fee paid to the Responsible Entity. These costs can arise as a result of bid-offer spreads (the difference between an asset’s bid/buy price and offer/ask price) being applied to securities traded by the Fund. Liquid securities generally have a lower bid-offer spread while less liquid assets have a higher bid-offer spread reflecting the compensation taken by market makers in providing liquidity for that asset.

During the financial year ended 30 June 2018, the total transaction costs for the Fund were 0.83% of the NAV of the Fund, of which 9.62% of these transaction costs were recouped via the Buy/Sell Spread, resulting in a net transactional cost to the Fund of 0.75% p.a. However, such 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. Equity Trustees has the right to recover all reasonable expenses incurred in relation to the proper performance of its duties in managing the Fund and as such these expenses may increase or decrease accordingly. We will generally provide investors with at least 30 days’ notice of any proposed change to the management costs. In most circumstances, the Constitution defines the maximum level that can be charged for fees described in this PDS. Expense recoveries may change without notice, for example, when it is necessary to protect the interests of existing members and if permitted by law.

Payments to IDPS Operators

Subject to the law, annual payments may be paid to some IDPS Operators because they offer the Fund on their investment menus. Product access is paid by the Investment Manager out of its management fees and is not an additional cost to the investor. If the payment of annual fees to IDPS Operators is limited or prohibited by law, Equity Trustees will ensure the payment of such fees is reduced or ceased.

Differential fees

The Responsible Entity or 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.

mFund

Warning: if you are transacting through mFund your stockbroker or accredited intermediary may charge you additional fees (see their Financial Services Guide).

Example of annual fees and costs for the Fund

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

| EXAMPLE – Armytage Strategic Opportunities Fund - Wholesale 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  |
| Plus<br>Management costs   | 1.31% p.a. | And, for every \$50,000 you have in the Fund you will be charged \$900 each year  |
| Equals<br>Cost of Fund   |            | If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees of: \$900*<br><br>What it costs you will depend on the fees you negotiate. |

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

\* 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.

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.

## 7. How managed investment schemes are taxed

**Warning:** Investing in a registered managed investment scheme (such as the Fund) is likely to have tax consequences. You are strongly advised to seek your own professional tax advice about the applicable Australian tax (including income tax, GST and duty) consequences and, if appropriate, foreign tax consequences which may apply to you based on your particular circumstances before investing in the Fund.

The Fund is an Australian resident for tax purposes and does not generally pay tax on behalf of its investors. Australian resident investors are assessed for tax on any income and capital gains generated by the Fund to which they become presently entitled or, where the Fund has made a choice to be an Attribution Managed Investment Trust ("AMIT") and the choice is effective for the income year, are attributed to them.

### Further reading

You should read the important information in the Reference Guide about Taxation under the "Other important information" section before making a decision. Go to the Reference Guide which is available at [www.armytage.com.au](http://www.armytage.com.au). The material relating to these matters may change between the time when you read this PDS and the day when you acquire the product.

## 8. How to apply

To invest please complete the Application Form accompanying this PDS, send funds (see details in the Application Form) and your completed Application Form to:

Mainstream Fund Services  
Client Services Registry Team  
GPO Box 4968  
Sydney NSW 2001

Ask your licensed broker to apply for units in the Fund via mFund. In this situation you will need to provide the application money in relation to your application to your licensed broker.

Please note that cash cannot be accepted and all applications must be made in Australian dollars.

### Who can invest?

Eligible persons (as detailed in the 'About this PDS' section) can invest, however individual investors must be 18 years of age or over.

Investors investing through an IDPS should use the application form provided by their IDPS Operator.

### Cooling off period

If you are a retail client (as defined in the Corporations Act) who has invested directly in the Fund, you may have a right to a 'cooling off' period in relation to your investment in the Fund 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 Fund 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 a fund by the IDPS. The right to cool off in relation to a fund are not directly available to an Indirect Investor. This is because an Indirect Investor does not acquire the rights of a unit holder in a fund. Rather, an Indirect Investor directs the IDPS Operator to arrange for their monies to be invested in a fund 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 a fund and any rights an indirect investor may have in this regard.

### 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 as soon as possible and in any case within 3 days of receiving the complaint. We will seek to resolve your complaint as soon as practicable but not more than 45 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.

## 9. Other information

### Consent

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

- its written consent to be named in this PDS as the Investment Manager of the Fund; and
- its written consent to the inclusion of the statements made about it which are specifically attributed to it, in the form and context in which they appear.

The Investment Manager has not otherwise been involved in the preparation of this PDS or caused or otherwise authorised the issue of this PDS. None of the Investment Manager nor their employees or officers accept any responsibility arising in any way for errors or omissions, other than those statements for which they have provided their written consent to Equity Trustees for inclusion in this PDS.

### mFund Settlement Service

You must use a mFund accredited and licensed broker to facilitate your transactions on mFund. Your chosen broker may charge you additional fees which are not outlined in the Fees and costs section of this PDS.

### Further reading

You should read the important information in the Reference Guide about:

- Your privacy;
- The Constitution;
- Anti-Money Laundering and Counter Terrorism Financing laws ("AML/CTF laws");
- NAV for the Fund;
- Indirect Investors;
- Information on underlying investments;
- Foreign Account Tax Compliance Act ("FATCA"); and
- Common Reporting Standard ("CRS"),

under the "Other important information" section before making a decision. Go to the Reference Guide which is available at [www.armytage.com.au](http://www.armytage.com.au). The material relating to these matters may change between the time when you read this PDS and the day when you acquire the product.