

# First Sentier Australian MidCap Fund Product Disclosure Statement

ARSN 617 440 589

**Issue Date:** 1 March 2021

Issued by The Trust Company (RE Services) Limited  
ABN 45 003 278 831 AFSL 235150

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## IMPORTANT INFORMATION

This Product Disclosure Statement (**PDS** or **Statement**) is a summary of significant information relating to the units in First Sentier Australian MidCap Fund (APIR: FSF8777AU, ARSN: 617 440 589) (**Fund**) and contains references to other important information which is contained in the Additional Information Booklet dated 1 March 2021 (**AIB**) and forms part of this PDS.

This PDS is issued by The Trust Company (RE Services) Limited ABN 45 003 278 831 AFSL 235150 (**Responsible Entity**) as responsible entity of the Fund. First Sentier Investors (Australia) IM Ltd ABN 89 114 194 311 AFSL 289017 has been appointed by the Responsible Entity as the investment manager of the Fund (**Investment Manager**) and is a member of First Sentier Investors group (**First Sentier Investors**). You should consider all of this information before making a decision to invest in the Fund. These documents are available from the Investment Manager's website or you can request a paper copy free of charge by contacting the Responsible Entity or the Investment Manager. The information provided in this PDS is general information and does not take into account your personal financial situation or needs. You should obtain financial advice tailored to your personal circumstances.

This PDS authorises investment through an investor directed portfolio service (**IDPS**), IDPS-like scheme, a nominee or custody service or any other trading platform authorised by the Responsible Entity (collectively, **Service**).

Units of the Fund are available to indirect investors investing via a Service or to investors who invest directly in the Fund. Investors who invest in the Fund via a Service will receive fund information and reporting from the operator of the relevant Service (**Service Operator**). Investors who invest directly into the Fund will receive reporting and fund information directly from the Investment Manager.

## CONTACT DETAILS

### The Trust Company (RE Services) Limited – Responsible Entity

Mail: Level 18, Angel Place 123 Pitt Street  
Sydney NSW 2001

Telephone: 02 9229 9000

### First Sentier Investors (Australia) IM Ltd - Investment Manager

Mail: Level 5, Tower 3 International Towers  
300 Barangaroo Avenue  
Barangaroo NSW 2000

Telephone: 02 9010 5200

### Platform Investors:

Email: [auenquiries@firstsentier.com](mailto:auenquiries@firstsentier.com)

### Institutional Investors:

Email: [auinstitutional@firstsentier.com](mailto:auinstitutional@firstsentier.com)

If you are investing via a Service and have any questions or would like to obtain a copy of the PDS, any updates, the AIB or an application form, you should contact your Service Operator.

The offer of units under this PDS is available only to persons receiving this PDS (electronically or otherwise) in Australia and does not constitute an offer or recommendation in any other jurisdiction, or to any person to whom it would be unlawful to make such an offer. All times quoted in this PDS are Sydney time. A business day is a day other than a Saturday, Sunday or public holiday on which banks are open for general banking business in New South Wales.

All dollar amounts are in Australian dollars unless otherwise indicated. Neither the Responsible Entity, the Investment Manager, nor any other entity associated with either the Responsible Entity or the Investment Manager guarantees the repayment of capital or performance of the Fund or any specific rate of return from the Fund. Investments in the Fund are not deposits or other liabilities of Mitsubishi UFJ Financial Group, Inc. (**MUFG**) (the ultimate owner of the Investment Manager) or any other entity associated with MUFG.

## UP TO DATE INFORMATION

The information in this PDS is up to date as at the Issue Date. However, some information may change from time to time. Information that is not materially adverse to investors may be updated without notice. Updated information can be obtained from the Investment Manager's website at [www.firstsentierinvestors.com.au](http://www.firstsentierinvestors.com.au) or by contacting your Service Operator. You can request a copy of any updated information free of charge by contacting the Investment Manager or your Service Operator. If a change is considered materially adverse, the Responsible Entity will provide notice and issue a replacement or supplementary PDS where required by law.

## 1. About The Trust Company (RE Services) Limited

### The Responsible Entity

The Trust Company (RE Services) Limited (**Responsible Entity**) is the responsible entity for the Fund and the issuer of the PDS. The Responsible Entity is a wholly owned subsidiary of Perpetual Limited ABN 86 000 431 827 (**Perpetual**), and a part of Perpetual Group which has been in operation for over 130 years. Perpetual is an Australian public company that has been listed on the Australian Securities Exchange for over 50 years.

The Responsible Entity holds Australian Financial Services Licence number 235150 issued by Australian Securities and Investments Commission (**ASIC**), which authorises it to operate the Fund.

The Responsible Entity is bound by the constitution of the Fund (**Constitution**) and the Corporations Act 2001 (Cth) (**Corporations Act**). The Responsible Entity has lodged a compliance plan with ASIC which sets out the key measures which the Responsible Entity will apply to comply with the Constitution and the Corporations Act (**Compliance Plan**). The Responsible Entity has established a compliance committee with a majority of external members (**Compliance Committee**). The compliance plan is overseen by the Compliance Committee and is audited annually with the audit report being lodged with ASIC.

### The Investment Manager

The Responsible Entity has the power to delegate certain aspects of its duties. The Responsible Entity has appointed First Sentier Investors (Australia) IM Ltd ABN 89 114 194 311, AFSL 289017 (**Investment Manager**) as the investment manager of the Fund.

First Sentier Investors is a global asset management group focused on providing high quality, long-term investment capabilities to clients. It brings together teams of specialist investment managers who share its common commitment to responsible investment principles.

First Sentier Investors is a stand-alone asset management business and also home to a number of individually branded investment teams, such as Stewart Investors, FSSA Investment Managers and Realindex.

All investment teams operate with discrete investment autonomy, according to their investment philosophies. Together, the group offers a comprehensive suite of investment capabilities across global and regional equities, cash and fixed income, infrastructure and multi-asset solutions, all with a shared purpose to deliver sustainable investment success.

First Sentier Investors has been managing money with a long-term outlook for more than 30 years and today manages more than A\$219 billion\* of assets on behalf of institutional investors, pension funds, wholesale distributors and platforms, financial advisers and their clients.

First Sentier Investors is ultimately owned by MUFG, one of the world's largest financial services companies.

### Other Service Providers

The Responsible Entity has appointed State Street Australia Limited ACN 002 965 200 as custodian and administrator of the Fund (**Custodian or Administrator**).

## 2. How the First Sentier Australian MidCap Fund works

The Fund is structured as a unit trust that is a managed investment scheme under the Corporations Act and is registered with ASIC. When you invest in the Fund, you will be allocated a certain number of units and your money will be pooled together with other people's money. This pool of money will be used to acquire investments that will be managed on behalf of all investors. Investors do not have day to day control over the operation of the Fund.

The Constitution allows the Responsible Entity to issue different classes of units. Different classes of units generally represent different levels of rights and interests. Currently, there is only one class of units on issue in the Fund.

### Indirect investors

The Responsible Entity authorises the use of this PDS for investors who wish to access the Fund indirectly through a Service. An investment in the Fund through a Service does not entitle you to a direct interest in the Fund and you may be subject to different terms and conditions from those referred to in this PDS. When you invest via a Service, you are investing indirectly in the Fund and as such you do not become a unitholder in the Fund. The Service Operator is the unitholder and the term 'unitholder' as used in this PDS refers to those entities. Some information in this PDS may be relevant only for direct investors. If you invest via a Service you will not receive reports or other documentation from the Responsible Entity or the Investment Manager in respect of the Fund. Instead, these will be provided to you by your Service Operator, who is the unitholder in the Fund. This includes information in relation to applications/withdrawals, cooling-off periods, processing times, distributions, fees and expenses and taxation. You should contact the Service Operator for details on how to invest in or request a withdrawal from the Fund.

### Units in the Fund

Generally, unit prices are calculated each business day for the preceding business day in Sydney. The unit price is calculated by taking the total market value of the assets of the Fund less the total value of the liabilities of the Fund (including any adjustments for transaction costs), divided by the total number of units on issue at the relevant valuation time. The Responsible Entity determines the unit prices of the Fund based on the most recent valuation of assets, property and liabilities (which are determined at regular intervals appropriate to the nature of such assets, property and liabilities).

The Fund's unit price will change as the market value of assets in the Fund rises or falls.

There may be a difference between the entry and exit unit price for the Fund quoted on any business day which is referred to as the buy/sell spread. The buy/sell spread is applied to ensure that other investors aren't impacted by the transaction costs associated with a particular investor buying or selling units in the Fund. The Fund currently charges a buy/ sell spread of +0.15%/-0.15%.

Unit prices will be available at [www.firstsentierinvestors.com.au](http://www.firstsentierinvestors.com.au). You can obtain a copy of the Responsible Entity's Unit Pricing Discretions Policy and records of any exercise of such discretions under the Unit Pricing Discretions Policy, free of charge by contacting the Responsible Entity.

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\*as at 30 September 2020

## Minimum Investment Amount

The minimum initial investment for direct investors is \$500,000<sup>1</sup>. No minimum additional investment requirement applies.

Indirect investors, please refer to your Service Operator's disclosure documents for minimum investment requirements.

## Minimum Account Balance

The minimum account balance is \$500,000. The Responsible Entity reserves the right to waive this requirement and allow for balances below \$500,000.

## Withdrawals

Investors may request to withdraw some or all of their units from the Fund by sending the Administrator a written withdrawal request in the form advised by the Administrator, on behalf of the Responsible Entity, from time to time.

No minimum withdrawal amount applies. Should the withdrawal bring your account balance below \$500,000, the Responsible Entity reserves the right to facilitate a full withdrawal of your account. Withdrawals will usually be paid to your nominated bank account within 7 business days. However, the Constitution allows the Responsible Entity up to 21 days to pay withdrawal requests, after accepting the withdrawal.

If the Fund is suspended, restricted or there is a freeze on withdrawals the Administrator will not process withdrawal requests within the usual period. Any decisions whether to process withdrawals or partial withdrawals will be made in the best interests of investors as a whole and in accordance with the Constitution.

## Processing applications and withdrawals

Units are generally issued after the application form and application money have been received and accepted by the Administrator on behalf of the Responsible Entity. The cut-off time for receipt of applications and withdrawal requests by the Administrator is 2pm (Sydney time) on any Sydney business day and the transactions will be processed using the unit price next calculated after 2pm for that Sydney business day. Requests received after the cut-off time of 2pm (Sydney time) on a Sydney business day will generally be treated as having been received before the cut-off time on the next Sydney business day.

The Responsible Entity can accept or reject any application for units in its discretion and is not required to give any reason or grounds for such a refusal.

## Distributions

The Fund intends to pay distributions half yearly. The distributions are calculated based on the Fund's distributable income at the end of the distribution period and paid to the investors in proportion to their unitholding. Investors can elect to have distributions paid into their nominated Australian bank account or have it reinvested in units. There is no buy/sell spread with reinvestment of distributions.

The issue of units in respect of a reinvested distribution will be at the ex-distribution unit price as on the last day of the calendar month of the distribution period.

You should read the important information about 'How the Funds work' section in the AIB before making a decision. Go to [www.firstsentierinvestors.com.au/aib-fsi](http://www.firstsentierinvestors.com.au/aib-fsi) for a copy of the AIB. The material relating to 'How the Fund works' may change between the time when you read this Statement and the day when you acquire the product.

## 3. Benefits of investing in the First Sentier Australian MidCap Fund

### Significant features

The Fund invests in Australian<sup>2</sup> listed companies outside of the S&P/ASX 50 Index.

### Significant benefits

Investing in the Fund offers investors access to:

- An investment in companies that the manager believes have sustainable competitive advantages, strong financials, quality management, and predictable earnings (for example, companies with subscription models or high levels of contracted revenue).
- A strategy where the manager seeks to deliver consistent absolute returns and protection from downside risks through all investment cycles.
- An investment approach where value is discovered through a bottom-up investment approach with an emphasis on industry, financials and management.
- Access to expertise of an experienced investment team with a proven track record in Small and Midcap Australian equities.

## 4. Risks of managed investment schemes

All investments are subject to risk. There may be loss of principal, capital or earnings and different strategies carry different levels of risk depending on the assets that make up the strategy. Assets with the highest long-term returns may also carry the highest level of short-term risk generally due to their large fluctuations in returns. Selecting the investments that best match your investment needs and timeframe is crucial in managing this risk.

When considering your investment decision, it is important that you understand the risks that can affect the value of your investment. The value of your investment will vary. The level of returns will vary and future returns may differ from past returns. Returns are not guaranteed. You may receive back less than your original investment when you withdraw from the Fund or you may not receive income from the Fund during a specific period. There is also a risk that laws affecting managed investment schemes may change in the future.

The appropriate level of risk for you will vary, depending on a range of factors, including your age, investment timeframes, other investments and risk tolerance levels. Your financial adviser can help you determine whether the Fund is an appropriate investment based on the above factors.

The Responsible Entity has set out below a list of significant risks that may affect your investment in the Fund. It is not always possible to completely eliminate these risks, however it is possible to manage their impact on the Fund through prudent monitoring of the factors giving rise to these risks. These risks are not exhaustive and there could be other risks that may adversely affect the Fund. See the AIB for additional risks.

**Company risk** – an investment into equities or corporate bonds is exposed to risks due to changes in that company or its business environment. Changes to operations and/or management, distribution, legal involvement of the company, profit and loss announcements may affect the value of the Fund's security/bond and subsequently the value of the Fund.

1. We may accept amounts less than the minimum at our discretion if we are satisfied the applicant otherwise qualifies to invest with us.

2. The Fund may hold up to 15% of the portfolio in securities listed in New Zealand.



**Counterparty risk** – risk that counterparties such as brokers fail to meet their contractual obligations which may result in the investment activities of the Fund being adversely affected.

**Currency risk** – for investments in international assets, which have currency exposure, there is potential for adverse movements in exchange rates to reduce their Australian dollar value. For example, if the Australian dollar rises, the value of international investments expressed in Australian dollars can fall.

**Derivatives risk** – derivatives are contracts between two parties that usually derive their value from the price of a physical asset or market index. While the use of derivatives offers the opportunity for higher gains, it can also magnify losses to a Fund. Risks associated with the use of derivatives include that the value of a derivative may fall as a result of an adverse movement in the underlying asset or index, a Fund not being able to meet payment obligations as they arise and the risk that the other party with whom the derivative contract is held will fail to perform its contractual obligations.

**Equities risk** – Equity securities are subject to changes in value, and their values may be more volatile than those of other asset classes.

**Fund risk** – Fund risk refers to specific risks associated with a Fund and include:

- the change of the investment team, which may affect the Fund's future performance;
- the termination of the Fund;
- investment in a Fund may result in a different outcome to investing directly in the assets of that Fund;
- the costs of your investment may increase through an increase of fees and costs; and
- closing that Fund to further investments if, for example, the Responsible Entity considers it appropriate given the investment objective and investment strategy of that Fund.

As a result of these risks, the value of the investment in a Fund and level of distributions may change.

**Liquidity risk** – refers to the difficulty in selling an asset for cash quickly without an adverse impact on the price received. Assets such as shares in large listed companies are generally considered liquid, while 'real' assets such as direct property and infrastructure are generally considered illiquid. Under abnormal or difficult market conditions some normally liquid assets may become illiquid, restricting the Investment Manager's ability to sell them and to make withdrawal payments or process switches for investors without a potentially significant delay.

**Market risk** – investment returns are influenced by the performance of the markets as a whole. Certain events may have a negative effect on the price of all types of investments within a particular market. These events may include changes in economic, social, technological or political conditions, as well as market sentiment, the causes of which may include changes in governments or government policies, political unrest, wars, terrorism, pandemics and natural, nuclear and environmental disasters. The duration and potential impacts of such events can be highly unpredictable, which may give rise to increased and/or prolonged market volatility.

**Security risk and investment-specific risk** – Within each asset class and each Fund, individual securities can be affected by risks that are specific to that investment or that security. For example, the value of a company's shares can be influenced by changes in company management, its business environment or profitability.

You should read the important information about 'Risks of managed investment schemes' section in the AIB before making a decision. Go to [www.firstsentierinvestors.com.au/aib-fsi](http://www.firstsentierinvestors.com.au/aib-fsi) for a copy of the AIB. The material relating to 'Risks of Managed Investment Schemes' may change between the time when you read this Statement and the day when you acquire the product.

## 5. How we invest your money

You should consider the Fund's likely investment return, risk level and your investment timeframe, before choosing to invest in the Fund.

First Sentier Australian MidCap Fund	
<b>Description</b>	This Fund is suitable for investors seeking long term capital growth from Australian equities <sup>6</sup> outside of the S&P/ASX 50 index.
<b>Investment objective</b>	The Fund aims to outperform the composite index of S&P/ASX MidCap 50 and Small Ordinaries Daily 70/30 Blend Index TR over rolling five-year periods before fees and taxes. <sup>1</sup>
<b>Investment strategy</b>	The portfolio is primarily invested in companies in the S&P ASX Midcap 50 Index, with the remainder of the portfolio comprised of highly liquid, high conviction companies in the S&P/ASX Small Ordinaries Index.  The Fund's strategy is to favour companies with what the manager identifies as sustainable competitive advantages, strong financials, quality management and predictable earnings. By investing in these companies the Fund aims to deliver the dual benefits of consistent absolute returns and protection from downside risks. <sup>2</sup>
<b>Benchmark</b>	S&P/ASX MidCap 50 and Small Ordinaries Daily 70/30 Blend Index TR
<b>Minimum suggested timeframe for holding the investment</b>	7 years. Please note this is a guide only, not a recommendation.
<b>Asset allocation<sup>3,2</sup></b>	Australian equities <sup>6</sup> : 90%-100% Cash: 0-10%
<b>Standard Risk Measure<sup>4</sup></b>	7
<b>Risk level<sup>5</sup></b>	<b>Very High</b>  Very high risk of short-term loss. Likely to produce higher returns over the minimum suggested timeframe.
<b>Changes to Fund details</b>	The Responsible Entity may close or terminate the Fund and make changes to the Fund's investment objectives, benchmark, asset classes and allocation ranges at any time, in some cases, without prior notice. The Responsible Entity will inform unitholders of any material changes to the Fund.

You should read the important information about 'How we invest your money' section in the AIB before making a decision. Go to [www.firstsentierinvestors.com.au/aib-fsi](http://www.firstsentierinvestors.com.au/aib-fsi) for a copy of the AIB. The material relating to 'How we invest your money' may change between the time when you read this Statement and the day when you acquire the product.

1. The investment objective is not intended to be a forecast. The Fund may not be successful in meeting this objective. Returns are not guaranteed. 2. The Fund may use derivatives for efficient portfolio management as well as risk management purposes. 3. The investment allocation is only a target, actual allocations can change within the ranges significantly and sometimes quickly. 4. Based on Australian Prudential Regulation Authority guidance, Standard Risk Measure. 5. The risk level is not a complete assessment of all forms of investment risks, for instance it does not detail what the size of a negative return could be or the potential for a positive return to be less than the return an investor may require to meet their objectives. 6. The Fund may hold up to 15% of the portfolio in securities listed in New Zealand.

## 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 investment fee calculator to help you check out different fee options.

A managed funds fee calculator can also be used to calculate the effect of fees and costs on account balances. This table shows fees and other costs that you may be charged in the Fund and can be used to compare costs between different managed investment schemes. Unless otherwise stated, all fees and costs disclosed in this PDS are inclusive of the net effect of goods and services tax (GST) and net of any input tax credits (ITCs) or reduced input tax credits (RITCs) as applicable.

Fees and costs can be paid directly from your account or deducted from investment returns or from the Fund's assets as a whole.

**WARNING:** Any additional fees that may be charged by your Service Operator for investing in the Fund via their service should be set out in your Service Operator's disclosure document. If you consult a financial adviser you may also pay an additional fee that will be set out in the Statement of Advice given to you by financial adviser.

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<sup>15</sup></b>	The estimated management costs of the Fund are 3.17% p.a. <sup>1</sup> of the net asset value (NAV) of the Fund and are comprised of a:
The fees and costs for managing your investment	<ul style="list-style-type: none"> <li>– management fee: 1.01% p.a.<sup>2,3</sup> of the NAV of the Fund;</li> <li>– estimated performance related fee: 2.16% p.a.<sup>6</sup> of the NAV (if payable);<sup>6</sup></li> <li>– recoverable expenses: 0.00% p.a.<sup>4</sup> of the NAV of the Fund; and</li> <li>– indirect costs: 0.00% p.a. of the NAV of the Fund.</li> </ul>

1. All estimates of fees in this section are based on information available as at the date of this PDS. 2. Management fees are calculated and accrued daily, reflected in the daily unit price and payable monthly. 3. The Responsible Entity may negotiate rebates or waive all or part of its fees for certain wholesale clients in accordance with the Corporations Act. Please refer to section 4 'Fees and costs' in the AIB. 4. Recoverable expenses incurred in managing the Fund will be paid out of the management fee. The Responsible Entity may decide to pay abnormal expenses incurred in managing the Fund out of the Fund in addition to payment of the management fees. 5. An allowance for transactional and operational costs may apply to investments into and withdrawals from the Fund. Please see 'Transactional and operational costs' in section 4 of the AIB. 6. The estimated performance-related fee is generally based on the performance of the Fund over the 12 months to 30 June 2020 and the associated performance-related fee. Past performance is not a reliable indicator of future performance and the Fund's actual performance fee will be based on the Fund's performance over the relevant period. Please refer to 'Performance Fee' in the 'Additional explanation of fees and costs' section below for more information on the performance fee.

You should read the important information in the 'Fees and costs' section in the AIB before making a decision.

Go to [www.firstsentierinvestors.com.au/aib-fsi](http://www.firstsentierinvestors.com.au/aib-fsi) for a copy of the AIB. The material relating to 'Fees and costs' may change between the time when you read this Statement and the day when you acquire the product.

### Example of annual fees and costs for the Fund

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

<b>EXAMPLE - First Sentier Australian MidCap Fund</b>		<b>BALANCE OF \$500,000<sup>1</sup> WITH A CONTRIBUTION OF \$50,000<sup>1,2</sup> DURING YEAR</b>
Contribution fee	\$0	For every additional \$50,000 you put in, you will be charged \$0.
PLUS Management costs <sup>3</sup>	1.16% p.a.	And, for every \$500,000 you have in the Fund you will be charged \$5,800.00 each year.
EQUALS Cost of Fund		If you had an investment of \$500,000 at the beginning of the year and you put in an additional \$50,000 during the year, you would be charged fees of: \$5,850.00. <sup>2</sup> What it costs you will depend on the investment option you choose and the fees you negotiate.

1. The example above assumes that the \$500,000 is invested for the entire year, the value of the investment is constant over the year and the additional \$50,000 is invested at the end of the year. Therefore management costs are calculated using the \$500,000 balance only. In practice an investor's actual investment amount will vary daily and the actual fees and costs the Responsible Entity charges are based on the value of the Fund which also fluctuates daily. 2. Additional fees may apply. Please note this example doesn't capture all the fees and costs that may apply to you, such as transactional and operational costs that may be recovered in the form of a buy/sell spread. Please see 'Transactional and operational costs' in the AIB for more information regarding the buy/sell spread. 3. All estimates of fees and costs in this section are based on information available as at the date of this PDS and assumes that the performance fee is payable at the performance fee rate of 15% and that the Fund's adjusted return is 1%.

### Additional explanation of fees and costs

#### Management costs

Management costs comprise of a management fee, any recoverable expenses and indirect costs that you incur by investing in the Fund but exclude transactional and operational costs and government charges.

#### Management fee

The Responsible Entity receives a management fee for managing the assets of the Fund and overseeing the day-to-day administration and operation of the Fund.

#### Performance fee

The performance fee is 15% multiplied by the difference between the Fund's adjusted performance value of a unit (as defined in the Constitution) and the performance of the composite benchmark of a weighting of S&P/ASX MidCap 50 and Small Ordinaries Daily 70/30 Blend Index TR multiplied by the Fund's Issue Price (adjusted for application transaction costs).

The performance fee is calculated and accrued daily (which may be positive or negative) and the cumulative total of each performance fee is payable on the last day of the performance period being each calendar month. Please refer to the AIB for more information.

## Recoverable expenses

The Responsible Entity is entitled to be paid or reimbursed out of the assets of the Fund for certain expenses that it incurs in relation to the proper performance of its duties as responsible entity of the Fund and in connection with the day-to-day operation of the Fund. Ordinary expenses incurred in managing the Fund will be paid out of the management fee. However, the Responsible Entity may decide to pay out of the Fund or be re-imbursed out of the Fund for any abnormal expenses incurred in managing the Fund in addition to payment of the management fee.

## Indirect costs

Indirect costs are certain costs which the Responsible Entity reasonably estimate have reduced, directly or indirectly, the Fund's return. Indirect costs are generally payable from the Fund's assets rather than directly by you. Indirect costs do not include transactional and operational costs. Indirect costs are reflected in the unit price and are not charged as an additional cost to you.

## Transactional and operational costs

Transactional and operational costs are generally incurred when the assets of the Fund are changed or from cash flows into or out of the Fund. Transactional and operational costs are deducted from the assets of the Fund, rather than paid directly by investors and are reflected in the unit price of the Fund. They do not form part of management costs described above.

## Fee changes

The Responsible Entity has the right to change its fees up to the limit set out in the Constitution without your consent where the Responsible Entity has given you or your Service Operator at least 30 days' written notice.

You should read the important information in the 'Fees and costs' section in the AIB before making a decision. Go to [www.firstsentierinvestors.com.au/aib-fsi](http://www.firstsentierinvestors.com.au/aib-fsi) for a copy of the AIB. The material relating to 'Fees and Costs' may change between the time when you read this Statement and the day when you acquire the product.

## 7. How managed investment schemes are taxed

**Warning:** Investing in a registered managed investment scheme is likely to have tax consequences for investors each year, even if investors don't change their investment. Tax consequences are particular to each individual investor and investors are strongly advised to seek professional tax advice before investing in the Fund.

This PDS does not provide taxation advice.

Registered managed investment schemes generally do not pay tax on behalf of Australian investors and such investors will be assessed for tax on any taxable income or capital gains attributed to them (in circumstances where the Fund satisfies the requirements, and has made an election, to be an attribution managed investment trust) in respect of their investment in the Fund. The Responsible Entity intends to make the election for the Fund to be an AMIT. The remaining comments are made on the basis that the Fund is an AMIT. The Fund attributes all of the taxable income, including realised net capital gains and tax credits (if any), to investors each year. Generally, each financial year you are liable to pay tax on any capital gains from disposing of your investments and on any amounts attributed by the Fund (even if the distributions are reinvested), although you may be entitled to tax credits where income has already had tax deducted.

You should read the important information about 'How managed investment schemes are taxed' section in the AIB before making a decision. Go to [www.firstsentierinvestors.com.au/aib-fsi](http://www.firstsentierinvestors.com.au/aib-fsi) for a copy of the AIB. The material relating to 'How managed investment schemes are taxed' may change between the time when you read this Statement and the day when you acquire the product.

## 8. How to apply

### Direct investors

To invest in the Fund directly please read this PDS and the AIB, complete the Fund's application form along with identification documents as required, send them to the Administrator and make the relevant payment in accordance with the payment options set out in the application form.

If the application form is incomplete or the identification documents do not meet the Responsible Entity's requirements, the Administrator will not process the application form. The Responsible Entity reserves the right to reject any application at its discretion.

### Indirect investors

You can transact on your account by completing the relevant documents which your Service Operator requires. You will not need to complete any of the Responsible Entity's forms. You can increase your units by reinvesting distributions or making an additional investment in the Fund, or decrease your units by making a withdrawal from the Fund, through your Service Operator.

In certain circumstances, the Responsible Entity may suspend or restrict applications to the Fund. The Responsible Entity may also reject any application at its absolute discretion and without reason. If the Administrator receives an application from you or your Service Operator when the Fund is suspended or restricted, the Administrator will be unable to process this application and the application money will be returned to you or your Service Operator. For indirect investors, please refer to your Service Operator's disclosure document for conditions to apply and redeem from your investment.

### Cooling-off period

No cooling-off rights apply in respect of any investment in the Fund acquired by you as a wholesale client, sophisticated investor or by your Service Operator on your behalf. If you are an indirect investor you should contact your Service Operator directly or refer to their disclosure document for information about any cooling-off rights that may apply to you in respect of the service that you invest through.

You should read the important information about 'Cooling-off period' section in the AIB before making a decision. Go to [www.firstsentierinvestors.com.au/aib-fsi](http://www.firstsentierinvestors.com.au/aib-fsi) for a copy of the AIB. The material relating to 'Cooling-off period' may change between the time when you read this Statement and the day when you acquire the product.

## 9. Other information

### Enquiries and complaints

The Responsible Entity has established procedures for dealing with complaints. If an investor has a complaint, they can contact the Responsible Entity or the Investment Manager during business hours.

We will endeavour to resolve your complaint fairly and as quickly as we can and within the maximum response timeframe. The maximum response timeframe is 45 days for standard complaints (or 30 days for standard complaints we receive on or after 5 October 2021). Other type of complaints and complex complaints may have a different maximum response timeframe. We will let you know if a different maximum response timeframe will apply to your complaint.

If an investor is not satisfied with the outcome, the complaint can be referred to the Australian Financial Complaints Authority (**AFCA**) an external complaints resolution scheme of which the Responsible Entity and the Investment Manager are members. AFCA provides fair and independent financial services complaint resolution that is free to consumers.

You can contact AFCA on 1800 931 678, or by writing to:

Australian Financial Complaints Authority Limited  
GPO Box 3  
Melbourne VIC 3001

Email: [info@afca.org.au](mailto:info@afca.org.au)

Website: [www.afca.org.au](http://www.afca.org.au)

All investors (regardless of whether you hold units in the Fund directly or hold units indirectly via a Service Operator) can access the Responsible Entity's complaints procedures outlined above. If investing via a Service Operator and your complaint concerns the operation of the Service Operator then you should contact the Service Operator directly.