

# Baker Steel Gold Fund

## Reference Guide

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**bakersteel**  
capital managers

### About this Reference Guide

This Reference Guide ("RG") has been prepared and issued by Equity Trustees Limited ("Equity Trustees", "we" or "Responsible Entity"). The information in this document forms part of the Product Disclosure Statement ("PDS") for the Baker Steel Gold Fund, dated xx 2017.

The information provided in this RG is general information only and does not take into account your individual objectives, financial situation or needs. You should obtain financial advice tailored to your personal circumstances.

### Updated Information

Information in the PDS and this RG is subject to change. Before making an investment in the Fund, you should ensure that you have read the PDS and RG current as at the day of your investment.

An up to date RG can be obtained by visiting [www.eqt.com.au/insto](http://www.eqt.com.au/insto) or request a copy by calling the Investment Manager on +612 8245 0501 or emailing them at [sydney@sanlam.privatewealth.com.au](mailto:sydney@sanlam.privatewealth.com.au), or by calling the Portfolio Manager, Baker Steel Capital Managers, on +61 2 8226 8776 or emailing [enquiries@bakersteelcap.com](mailto:enquiries@bakersteelcap.com). An electronic copy of the updated information will be provided free of charge on request. No paper copy will be provided.

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#### Investment Manager

Sanlam Private Wealth (Pty) Ltd  
ABN 18 136 960 775  
Level 15, 37 York Street  
Sydney NSW 2000  
Phone: +612 8245 0501  
E: [sydney@sanlam.privatewealth.com.au](mailto:sydney@sanlam.privatewealth.com.au)

#### Custodian & Administrator

Mainstream Fund Services Pty Ltd  
ACN 118 902 891  
Lv11, 51-57 Pitt Street  
Sydney NSW 2000  
Ph: 1300 133 451  
Web: [www.mainstreamgroup.com](http://www.mainstreamgroup.com)

#### Responsible Entity

Equity Trustees Limited  
ABN 46 004 031 298, AFSL 240975  
GPO Box 2307  
Melbourne VIC 3001  
Ph: +613 8623 5000  
Web: [www.eqt.com.au/insto](http://www.eqt.com.au/insto)

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#### Portfolio Manager

Baker Steel Capital Managers LLP  
ARBN 107 539 711  
Level 26/Unit 80, 1 Bligh Street  
Sydney NSW 2000, Australia  
+61 2 8226 8776

# 1. Investing in the Baker Steel Gold Fund

## How to invest

To invest in the Fund, please complete the Application Form that accompanies the PDS and make payment via electronic bank transfer (see details in the Application Form).

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

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

Initial applications need to be originals.

Please note that cash cannot be accepted.

## Application cut-off times

Applications are generally processed each week on a Monday (or if not a Business Day, the next Business Day), and also on the first Business Day of the month.

Completed applications with cleared application monies which are received by 5pm the Business Day before the above stipulated days generally receive the price calculated for that day. If received on or after this time, you will receive the price next calculated, which will be the next week unless the first Business Day of the month falls before then.

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.

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.

Please see the PDS for information regarding how to apply.

# 2. Managing your investment

## 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; and
- enquiring and obtaining copies of the status of 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 our acting on any instructions received from your authorised representative shall amount to complete satisfaction of our obligations, even if these instructions were made without your knowledge or authority.

## Reports

We will make the following statements available to all investors in the Fund:

- A transaction confirmation statement, showing a change in the investor's holding. Such statement shall be provided when a transaction occurs but may also be provided on request.
- The Fund's half-yearly financial accounts (if applicable).
- The Fund's annual audited accounts for the relevant financial year.
- Annual distribution, tax and confirmation of holdings statements for the relevant financial year.

# 3. Withdrawing your investment

## Withdrawal cut-off times

Redemptions are generally processed each week on a Monday (or if not a Business Day, the next Business Day), and also on the first Business Day of the month.

Completed redemption requests which are received by 5pm two Business Days before the above stipulated days generally receive the price calculated for that day. If received on or after this time, you will receive the price next calculated, which will be the next week unless the first Business Day of the month falls before then.

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 Fund's investors.

Please see the PDS for information regarding how to request a withdrawal.

## Payment of withdrawals

Equity Trustees will generally allow an investor to access their investment within 10 Business Days of receipt 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 Constitution allows Equity Trustees to extend the time for payment for a request it has accepted if it considers that it is in the best interests of investors to do so. Such circumstances may include but are not necessarily limited to where there is a circumstance outside its control which it considers impacts on its ability to properly or fairly calculate price, or where withdrawal requests would result in 20% or more of the net asset value of the Institutional Class or Retail Class being withdrawn at any particular day the Institutional Class or Retail Class is valued (if this happens, then at our discretion we can stagger payment over such period that we consider to be in the best interest of investors), or where the Fund is not liquid (as defined in the Corporations Act).

## Withdrawal terms

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).

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.

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.

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

- Withdrawals will only be paid to the investor
- We reserve the right to fully redeem your investment if, as a result of processing your request, your investment balance in the Fund falls below the minimum balance set out in the PDS.
- If we cannot satisfactorily identify you as the withdrawing investor, we may 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, electronically or fax, 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 these terms you, and any person claiming on your behalf, shall have no claim against us with regards to such payment.

## Withdrawal restrictions

Under the Corporations Act, you do not have a right to redeem from the Fund if the Fund is illiquid. In such circumstances, you will only be able to redeem your investment if Equity Trustees makes a withdrawal offer in accordance with the Corporations Act. Equity Trustees is not obliged to make such offers.

A fund will be deemed liquid if at least 80% of its assets are liquid assets (generally cash and marketable securities). In addition, should Equity Trustees be unable to realise sufficient assets to meet withdrawal payments, it may suspend the calculation of the NAV of the Fund and withhold withdrawal proceeds.

## 4. Additional risks

### Borrowing risk

The risk associated with borrowing (or gearing). Borrowing (both direct borrowing or indirect borrowing using derivatives) can magnify both good and bad returns. Both the inability to borrow, as and when needed, and a lender who suffers financial problems, can adversely affect the Fund. The Precious Metals Fund does not use direct borrowing. The Fund will generally not borrow directly, but may borrow directly in the short term up to 10% of the Fund's net asset value to meet redemptions, distributions, or short term Fund obligations, and then only if borrowing is considered to be prudent and in the best interests of all investors. In addition both the Fund and the Precious Metals Fund may, on occasion, acquire financial instruments which are not fully paid.

### Interest rates risk

The risk that changes in interest rates can have a negative impact on certain investment values or returns. Reasons interest rates change include changes in inflation, economic activity and Central Bank policies. When an investment is geared (that is, purchased with some debt), increases in borrowing costs can negatively impact on values or returns. Also, the global interest rate environment impacts precious metal prices, especially gold. Generally, low or negative real interest rates will positively impact precious metal prices; high real interest rates will tend to impact precious metal prices negatively. As part of the investment process, the gearing levels of investments into which the Fund invests are monitored regularly by Baker Steel as far as is practicable.

### Withdrawal risk

Also called liquidity risk, this is the risk that withdrawal requests cannot be met as expected. The Fund generally needs to sell its investments in the Precious Metals Fund, or the investments it holds directly, to pay you. Selling investments is not always possible, practicable or consistent with the best interests of investors. Delays could arise. This is one of the reasons why the constitution for the Fund specifies limited circumstances where there could be a delay in meeting your withdrawal request. Australian law also sometimes restricts withdrawals. The Fund is not listed on a stock exchange, so selling your units through a stockbroker is not possible and, although you may sell your units, you may not find a buyer or a buyer at the price you want. Baker Steel monitors liquidity levels for the Precious Metals Fund and seeks to ensure the Fund and the Precious Metals Fund have enough liquid assets for anticipated withdrawals. Even if the Fund terminates, there can be delays in paying to you all monies due.

### International market risk

Investors have exposure to global markets, with a bias to sophisticated markets and selected developing markets and less emphasis on emerging economies.

Investing internationally in one of the major asset categories will include all the risks associated with that asset class, but will also include risks not associated with holding Australian investments such as currency risk. For example, international investments may be more affected by political and economic uncertainties, lower regulatory supervision, movements in currency and interest rates and possibly more volatile, less liquid markets.

Commodities production can be concentrated in regions or countries, and the impact of natural, political or social factors can have a significant effect. Commodities can be influenced by co-operative or co-ordinated actions, by producers or sovereign nations. Markets may perform poorly relative to others. Adverse social and political circumstances (such as civil unrest, wars and political change) can significantly impact on the value of investments.

The Fund may be exposed to some emerging and developing economies. These markets are generally less sophisticated with poorer reporting, governance and regulatory frameworks, and greater political, legal and other risks.

In markets less developed than Australia, governments can exercise substantial influence including implementing policies of expropriation, confiscatory taxation, nationalisation, intervention in the securities market and trade settlement, and foreign investment and exchange controls.

Generally accepted accounting, auditing and financial reporting practices may be significantly different from those in developed markets.

Trading volumes can be lower, which can mean lack of liquidity and greater price volatility. Settlement of securities transactions involve higher risks, and custody, registration and title of assets in some countries may be less reliable.

### Natural resource and technology risk

Natural disasters such as earthquakes, droughts and floods and social factors such as strikes, civil unrest and wars can have a significant impact on commodity prices. The discovery of a significant new supply could have a major adverse impact on commodity prices. New technology and changes in laws, treaties and protocols could lead to substitution of a commodity or could lower production costs and increase supply of a commodity or competing technology, influencing its price. To the extent that it is considered appropriate and practicable, Baker Steel monitors the Precious Metals Fund's exposure to affected regions with a view to assessing the impact of such risk.

## Structure risk

The risk associated with having someone invest for you. Risks include that the Fund or the Precious Metals Fund could terminate, the Responsible Entity or the Portfolio Manager (or their teams or other key providers or relationships) could change. Someone involved with the Fund or the Precious Metals Fund (even remotely) may not meet their obligations, assets may be lost, not recorded properly or misappropriated, laws may adversely change, insurers may not pay when expected or insurance may be inadequate. Investment decisions, although taken carefully, are not always successful. Investing through an IDPS also brings some risks that the operator of that platform may not perform its obligations properly. Investing in the Fund may give inferior results compared to investing directly (where, for example, you may be able to manage your tax situation better).

We and Baker Steel take as much care as we each consider practicable. We and Baker Steel only deal with people who are believed to be of the highest reputation. We have conducted extensive due diligence and conduct ongoing monitoring on Baker Steel with a view to ensuring that they remain a quality manager. Baker Steel has a proven track record and expertise. We and Baker Steel diligently comply with laws, and regularly test disaster recovery systems and procedures. We maintain insurance as the law requires. We and Baker Steel employ a range of people who are trusted, and who are ethical, experienced and professional.

## Information risk

The risk that information about you is compromised or falls into unauthorised hands. We are committed to ensuring that your information is kept secure and protected from misuse and loss and from unauthorised access, modification and disclosure. We use the internet in operating the Fund and may store records in a cloud-based system. If stored overseas, different privacy and other standards may apply there. Our Privacy Policy is discussed below. The internet does not always result in a secure information environment and although we take steps we consider reasonable to protect your information, we cannot absolutely guarantee its security.

# 5. Additional information on fees and costs

## Transactional costs

Other costs of a transactional nature may be incurred in connection with the acquisition and disposal of the Fund's investments. These can arise either as a result of day-to-day trading activity or as a result of applications and redemptions made from the Fund. Where these costs arise from applications and redemptions, they are reimbursed from the Buy/Sell Spread applying to those investor transactions. Alternatively, where they arise from day-to-day trading decisions, these costs are typically included in the cost of purchasing or selling certain securities and are not recovered through the Buy/Sell Spread.

## Government and other charges

Government fees, taxes and duties, as well as charges made by your financial institution (including dishonour fees), may also apply to investments and withdrawals, and these are payable from your investment.

Stamp duty is usually payable if you transfer your units in the Fund to someone else.

## Deductions

We may deduct from any money payable to you, or adjust the value of any Assets in the Fund to be transferred to you for, any money due to us (as trustee or in any other capacity) by you or any money we (as trustee or in any other capacity) owe someone else relating to your investment (for example, to the tax office or someone who has lent you money to invest like a margin lender).

If the Fund is terminated and wound up, then any amount or value to be distributed to you may be reduced for moneys owed or unpaid.

## Performance Related Fees

The Performance Related Fee is only applicable to Institutional clients.

The Performance Related Fee is 10.25% on any outperformance over the FTSE Gold Mines Index return over the relevant 6 month period. The performance fee is subject to a high watermark (that is, no Performance Related Fee is payable until the value of the Institutional Class (after Management Fees and Usual Expenses but before Performance Related Fees) is higher than its previous highest value at the end of any prior half year period from 30 June 2008 after accounting for all applications, withdrawals and distributions paid since that prior half year period).

Calculation periods end at 30 June and 31 December each year.

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

The following is an example of the performance fee expense for a typical 6 month period ("Performance Fee Period") payable on units of the Fund.

Assumptions:

- The percentage movement in the FTSE Gold Mines Index for the start of the Performance Fee Period to the end of the Performance Fee Period is 2%.
- The Fund's 'investment return' after fees and expenses but before performance fees for the Performance Period is 4%
- No negative performance fee amounts for previous Performance Fee Periods are to be carried forward

On the basis of the above assumptions, if you had invested \$50,000 at the start of the Performance Fee Period and no withdrawals were effected during the Performance Fee Period, your investment would bear a performance fee expense of approximately \$102.50 (2% x 10.25% x \$50,000).

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 the investment return of the Fund; and
- is not a forecast of the expected investment return for the Fund.

# 6. Other important information

## 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 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 by contacting Equity Trustees’ Privacy Officer on +61 3 8623 5000 or by email to [privacy@eqt.com.au](mailto:privacy@eqt.com.au).

## The Constitution

The Fund is governed by a constitution that sets out the Fund’s operation (the “Constitution”). The Constitution, together with the Fund’s PDS, the Corporations Act and other laws, regulate our legal relationship with investors in the Fund. If you invest in the Fund, you agree to be bound by the terms of the Fund’s PDS and the Fund’s Constitution. You can request a copy of the Constitution free of charge from Equity Trustees. Please read these documents carefully before investing in the Fund.

We may amend the Constitution from time to time in accordance with the provisions in the Constitution and the Corporations Act.

## Attribution Managed Investment Trusts (“AMITs”)

The Constitution provides, where separate classes of units are on issue in respect of the Fund, for income allocation to take into account any impact of the currency overlay that may be in place for the respective classes. The quantum of the distribution is sought to be determined on a standalone basis. Prior to the AMIT multi-class election being made (as described below), the Fund is treated as a single taxpayer. As any separate classes of units would not currently be treated as separate taxpayers, it is possible under the current taxation regime that the tax character of distributions made to a particular class may be impacted by transactions associated with another class. The Constitution provides a mechanism to seek to minimise this outcome. Insofar as possible, where separate classes of units are on issue, the Constitution seeks to quarantine the income associated with a particular class to that class.

In May 2016, the Australian Federal Government enacted legislation establishing a new tax system for Attribution Managed Investment Trusts (AMITs). Trusts that meet the eligibility criteria to be an AMIT may elect into the AMIT rules. Equity Trustees is intending that an election into AMIT be made in respect of the Fund and thereafter 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 adjustment will be included on an investor’s annual tax statement, referred to as an AMIT Member Annual Statement (AMMA).

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

**Multi-class AMITs:** A choice is available to elect to treat separate classes of units as separate AMITs. Equity Trustees is intending that the AMIT multi-class election be made in respect of the Fund.

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

The new rules are intended to reduce complexity, increase certainty and reduce compliance costs for managed investment trusts and their investors.

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

## Indirect Investors

You may be able to invest indirectly in the Fund 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 Fund and not an investor or member of the Fund. Indirect Investors do not acquire the rights of an investor 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.

## Information on underlying investments

Information regarding the underlying investments of the Fund will be provided to an investor of the Fund 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.

## 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 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 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 Fund.

## 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.

## 7. Glossary

### Application Form

The Application Form that accompanies the PDS.

### ATO

Australian Taxation Office.

### AUSTRAC

Australian Transaction Reports and Analysis Centre.

### Business Day

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

### IDPS

Investor-Directed Portfolio Service or investor-directed portfolio service-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 Operator

The entity responsible for operating an IDPS.

### Indirect Investors

Individuals who invest in the Fund through an IDPS.

### Institutional Client

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

### Management Fee

The fee for administering and managing the Fund.

### Net Asset Value (NAV)

The value of the assets of the Fund or a class (as the case may be) less the value of the liabilities of that Fund or class.

### Retail Client

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

### 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 trust 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.

### **Usual Expenses**

“Usual Expenses” are all day to day ordinary expenses in managing the Fund including but not limited to the Responsible Entity fee, the Custodian’s fee, ASIC, ATO, APIR, printing, legal and the accounting/tax/compliance auditor’s fees.

### **Valuation Time**

A time at which the Responsible Entity calculates the Net Asset Value.

### **We, us**

Refers to Equity Trustees.