

# EQT Wholesale Mortgage Income Fund

## Produce Disclosure Statement

ARSN 101 748 109  
APIR ETL0122AU  
Issue Date 13 November 2017



### Contents

1. Fund at a glance	3
2. Who is managing the Fund?	4
3. How the Fund invests	5
4. Benchmarks and disclosure for an unlisted mortgage scheme	6
5. Managing risk	14
6. Investing and withdrawing	15
7. Keeping track of your investment	18
8. Fees and other costs	20
9. Taxation	22
10. Other important information	23
11. Direct Debit Terms and Conditions	25
12. Online access	26
13. Glossary	

**Responsible Entity and Investment Manager**  
Equity Trustees Limited  
ABN 46 004 031 298, AFSL 240975  
Ph: +613 8623 5000  
Web: [www.eqt.com.au](http://www.eqt.com.au)

**Client Services**  
Equity Trustees Unit Registry  
Ph: 1300 011 130 or +61 3 9046 4059  
GPO Box 804  
Melbourne VIC 3001  
[equitytrustees@unitregistry.com.au](mailto:equitytrustees@unitregistry.com.au)

This Product Disclosure Statement ("PDS") was issued on 13 November 2017. This PDS is for the offer of units interests in the EQT Wholesale Mortgage Income Fund ARSN 101 748 109 (referred throughout this PDS as the "Fund" or the "EQT Wholesale Mortgage Income Fund").

This PDS has been prepared and issued by Equity Trustees Limited (ABN 46 004 031 298, Australian Financial Services Licence ("AFSL") No. 240975) in its capacity as the Responsible Entity of the Fund (referred throughout this PDS as the "Responsible Entity", "Equity Trustees", "us" or "we"). Equity Trustees is also the Investment Manager of the Fund.

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

The operator of an IDPS is referred to in this PDS as the "IDPS Operator" and the disclosure document for an IDPS is referred to as the "IDPS Guide". If you invest through an IDPS, your rights and liabilities will be governed by the terms and conditions of the IDPS Guide. Indirect Investors should carefully read those terms and conditions before investing in the Fund. Indirect Investors should note that they are directing the IDPS Operator to arrange for their money to be invested in the Fund on their behalf. Indirect Investors do not become unit holders in the Fund or have the same rights as unit holders. The IDPS Operator becomes the unit holder in the Fund and acquires these rights. Indirect Investors should refer to their IDPS Guide for information relating to their rights and responsibilities as an Indirect Investor, including information on any fees and charges applicable to their investment. Information regarding how Indirect Investors can apply for units in the Fund (including an Application Form where applicable) will also be contained in the IDPS Guide. Equity Trustees accepts no responsibility for an IDPS Operator's actions including, but not limited, to any failure by an IDPS Operator to provide Indirect Investors with a current version of this PDS as provided by Equity Trustees or the IDPS Operator's failure to withdraw the PDS from circulation if required by Equity Trustees.

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

This PDS is prepared for your general information only. It is not intended to be a recommendation by the Responsible Entity, any associate, employee, agent or officer of the Responsible Entity or any other person to invest in the Fund. This PDS does not take into account the investment objectives, financial situation or needs of any particular investor. You should not base your decision to invest in a Fund solely on the information in this PDS. You should consider the suitability of a Fund in view of your financial position and investment objectives and needs and you may want to seek advice before making an investment decision.

Equity Trustees and its employees, agents or officers do not guarantee the success, repayment of capital or any rate of return on income or capital or the investment performance of the Fund. Past performance is no indication of future performance. Units in the Fund are offered and issued by the Responsible Entity on the terms and conditions described in this PDS. You should read this PDS in its entirety because you will become bound by it if you become a direct investor in the Fund.

The offer made in this PDS is available only to persons receiving this PDS in Australia (electronically or otherwise). If you received this PDS electronically we will provide a paper copy free upon request during the life of this PDS. Please call Equity Trustees Client Services on 1300 011 130 for a copy.

Information in this PDS is subject to change of a type that is not materially adverse from time to time. We may update this information. You can obtain any updated information:

- by calling Equity Trustees Client Services on 1300 011 130; or
- by visiting our website at [www.eqt.com.au](http://www.eqt.com.au).

A paper copy of the updated information will be provided free of charge on request.

Unless otherwise stated, all fees quoted in the PDS are inclusive of GST, after allowing for an estimate for RITCs, and all amounts are in Australian dollars.

## 1. Fund at a glance

Summary	
Name of the Fund	EQT Wholesale Mortgage Income Fund
Responsible Entity & Investment Manager	Equity Trustees Limited
ARSN	101 748 109
APIR	ETL0122AU
Fund inception date	1 October 2002
Background to Fund	The EQT Wholesale Mortgage Income Fund commenced operation in October 2002. The Fund invests only in first registered mortgage assets secured by office, retail, industrial and other commercial properties at a maximum LVR of 66.67%. The Fund has had no mortgage defaults to date.
Investment Objective	To outperform the RBA Cash Rate over rolling 3 year periods.
Benchmark	RBA Cash Rate
Who should invest?	The Fund is designed for investors seeking income returns higher than short-term money market rates.
Recommended investment timeframe	1-3 years
Minimum initial investment	\$20,000
Minimum additional investment	\$5,000
Minimum withdrawal amount	\$5,000
Minimum balance	\$20,000
Cut off time for applications and withdrawals	By 2.00pm on each Business Day in order to be issued with units at that day's unit price. Applications can be made anytime however, for unit pricing purposes and income accrual purposes, any application received after 2:00pm (Australian EST) on a Business Day will generally be treated as having been received the following Business Day.
Valuation frequency	Daily
Access to funds	Usually within 7 days.
Income distribution	Quarterly - by direct deposit or reinvestment
Management Costs	0.806% of the NAV of the Fund
Fund size as at 30 June 2017	\$229.0 Million

## 2. Who is managing the Fund?

### The Responsible Entity and Investment Manager

#### Equity Trustees Limited

Equity Trustees Limited ABN 46 004 031 298 AFSL 240975 ("Equity Trustees"), 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 is also 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.

## 3. How the Fund invests

### Investment objective

To outperform the RBA Cash Rate over rolling 3 year periods.

### Benchmark

RBA Cash Rate.

### Suggested investment time frame

At least 3 years.

### How the Fund invests

The EQT Wholesale Mortgage Income Fund is a conservatively managed fund which seeks to produce income by providing loans to selected borrowers. These loans are secured by registered First Ranking mortgages. Loans are predominantly offered in respect of selected improved retail, commercial, industrial and residential real estate within Australia. Loans are for a maximum term of 5 years.

Loans will only be advanced up to a maximum of 66.67% of the value of the mortgaged property at initial funding and at any renewal. The valuation of the property is prepared by an independent valuer instructed by Equity Trustees. The independent valuer also determines whether the security is suitable based on the EQT Wholesale Mortgage Income Fund's lending guidelines. The EQT Wholesale Mortgage Income Fund does not provide loans in respect of development properties, construction projects, vacant land or shares in companies.

The Fund does not invest in Derivatives and does not lend for consumer or non-business/non-investment purposes that would be classified as regulated credit under the National Consumer Credit Protection Act ("NCCP").

### Lending guidelines

The EQT Wholesale Mortgage Income Fund's principal lending guidelines are to:

- only lend on secured First Ranking mortgages;
- lend to a maximum LVR of 66.67%; and
- lend across a diversified range of property sectors.

Loans are secured by registered First Ranking mortgages predominantly over the following types of properties (and are not subject to the NCCP):

- Retail Shops;
- Offices;
- Industrial/Factories/Warehouses;
- Supermarkets;
- Houses (Non NCCP);
- Investment – Strata Units (Non NCCP); and/or
- Investment – Flats (Non NCCP).

### Labour, environmental, social and ethical considerations

Equity Trustees does not take into account labour standards or environmental, social or ethical considerations for the purposes of selecting, retaining or realising investments.

### Fund performance

Up to date information on the performance of the Fund will be available by visiting [www.eqt.com.au](http://www.eqt.com.au).

## 4. Benchmarks and disclosure for an unlisted mortgage scheme

ASIC has developed a range of Benchmarks for unlisted mortgage schemes such as the Fund. These Benchmarks have been designed to help investors understand the risks of the Fund, assess the rewards being offered and decide whether an investment in the Fund is suitable for them.

### Benchmark 1: Liquidity

This benchmark addresses the liquidity measures adopted by an unlisted mortgage scheme particularly in relation to relative liquidity (e.g. short-term assets relative to short-term liabilities).

### Benchmark 2: Borrowing

This benchmark addresses an unlisted mortgage scheme's policy on borrowings within the scheme.

### Benchmark 3: Portfolio diversification

This benchmark provides details of the current nature of an unlisted mortgage scheme's portfolio.

### Benchmark 4: Related party transactions

This benchmark addresses any related party transactions by responsible entities of an unlisted mortgage scheme.

### Benchmark 5: Valuation policy

This benchmark deals with the approach taken by a responsible entity of an unlisted mortgage scheme in relation to valuation of properties over which it has taken security.

### Benchmark 6: Loan-to-value ratios

This benchmark addresses the lending approach adopted by an unlisted mortgage scheme in respect of LVRs. ASIC has stated that loans made by unlisted mortgage schemes should not exceed an LVR of 80% (or 70% where the loan related to property development).

### Benchmark 7: Distribution practices

This benchmark deals with the distribution practices of an unlisted mortgage scheme.

### Benchmark 8: Withdrawal arrangements

This benchmark addresses withdrawal arrangements for an unlisted mortgage scheme.

## ASIC Benchmarks

The following information is correct at the date of this PDS. This information is updated regularly and the most recent information is made available on [www.eqt.com.au](http://www.eqt.com.au).

Benchmark	Statement	Explanation	Reference
<b>Benchmark 1: Liquidity</b>			
For a pooled mortgage scheme, the responsible entity has cash flow estimates for the scheme that:	The Benchmark is met.	Not required.	For additional disclosure on this Benchmark see page 11 of this PDS.
(a) demonstrate the scheme's capacity to meet its expenses, liabilities and other cash flow needs for the next 12 months;			
(b) are updated at least every three months and reflect any material changes; and			
(c) are approved by the directors of the responsible entity at least every three months.			
<b>Benchmark 2: Scheme borrowing</b>			
The responsible entity does not have current borrowings and does not intend to borrow on behalf of the scheme.	The Benchmark is met.	Not required.	For additional disclosure on this Benchmark see page 11 of this PDS.

Benchmark	Statement	Explanation	Reference
Benchmark 3: Loan portfolio and diversification			
For a pooled mortgage scheme:	The Benchmark is not met.	(a) The Fund is considered to have a high degree of concentration in regard to security property located in Victoria.	For additional disclosure on this Benchmark see page 11 – 12 of this PDS.
(a) the scheme holds a portfolio of assets diversified by size, borrower, class of borrower activity and geographic region;		(b) The Fund has two asset that exceeds 5% of the total Fund assets. The two loan amounts are for \$14.9m which represents 6.51% of the portfolio and \$12.35m which represents 5.39% of the portfolio. The increased concentration risk is addressed by a conservative LVR of no more than 65%, the security properties are both located within a strong business commercial precinct of the Melbourne CBD and current passing rent is in line with the market.	
(b) the scheme has no single asset in the scheme portfolio that exceeds 5% of the total scheme assets;		(c) Equity Trustees has set a maximum asset limit of 10% (for individual and aggregated borrowers). Equity Trustees considers that this increased threshold is offset by the number of loans in the Fund (totalling), each separately secured at or below the maximum LVR limit of 66.67%.	
(c) the scheme has no single borrower who exceeds 5% of the scheme assets; and		(d) All loans made by the Fund are secured by registered First Ranking mortgages over real property.	
(d) all loans made by the scheme are secured by first mortgages over real property (including registered leasehold title).			
Benchmark 4: Related party transactions			
The responsible entity does not lend to related parties of the responsible entity or to the scheme's investment manager.	The Benchmark is met.	The Responsible Entity does not lend to related parties. The Fund invests its cash holding in the EQT Cash Management Fund but is not restricted in investing in other cash management products.	For additional disclosure on this Benchmark see page 12 of this PDS.

Benchmark	Statement	Explanation	Reference
Benchmark 5: Valuation policy			
In relation to valuations for the scheme's mortgage assets and their security property, the board of the responsible entity requires:	The Benchmark is met.	Not required.	For additional disclosure on this Benchmark see page 12 of this PDS.
(a) a valuer to be a member of an appropriate professional body in the jurisdiction in which the relevant property is located;			
(b) a valuer to be independent;			
(c) procedures to be followed for dealing with any conflict of interest;			
(d) the rotation and diversity of valuers;			
(e) in to security property for a loan, an independent valuation to be obtained:			
(i) before the issue of a loan and on renewal:			
<ul style="list-style-type: none"> <li>• for the development of property, on both an 'as is' basis and 'as if complete' basis ;</li> <li>and</li> <li>• for all other property, on an 'as is' basis; and</li> </ul>			
(ii) within two months after the directors form a view that there is a likelihood that a decrease in the value of security property may have caused a material breach of a loan covenant.			



Benchmark	Statement	Explanation	Reference
Benchmark 6: Lending principles – Loan-to-value ratios			
If the scheme directly holds mortgage assets:	The Benchmark is met.	Not required.	For additional disclosure on this Benchmark see page 12 - 13 of this PDS.
(a) where the loan relates to property development – funds are provided to the borrower in stages based on independent evidence of the progress of the development;			
(b) where the loan relates to property development – the scheme does not lend more than 70% on the basis of the latest ‘as if complete’ valuation of property over which security is provided; and			
(c) in all other cases – the scheme does not lend more than 80% on the basis of the latest market valuation of property over which security is provided.			
Benchmark 7: Distribution practices			
The responsible entity will not pay current distributions from scheme borrowings.	The Benchmark is met.	Not required.	For additional disclosure on this Benchmark see page 13 of this PDS.

Benchmark	Statement	Explanation	Reference
Benchmark 8: Withdrawal arrangements			
For liquid schemes:	The Benchmark is not met.	The Responsible Entity will aim to process withdrawal requests within 7 business days of receipt from the specified withdrawal request. However, you should be aware that the Fund's constitution allows up to 6 months in some circumstances to process withdrawal requests (which may be extended by up to a further 6 months in certain circumstances outside the control of the Responsible Entity). The Responsible Entity reserves the right to increase or reduce the withdrawal periods for the Fund subject to the above extensions of time.  The Corporations Act provides that we cannot allow you to withdraw from the Fund if its liquid assets fall below 80%, other than pursuant to a withdrawal offer. Equity Trustees is not obliged to make a withdrawal offer in respect of the Fund.	For additional disclosure on this Benchmark see page 13 of this PDS.
(a) the maximum period allowed for in the constitution for the payment of withdrawal requests is 90 days or less;			
(b) the responsible entity will pay withdrawal requests within the period allowed for in the constitution; and			
(c) the responsible entity only permits members to withdraw at any time on request if at least 80% (by value) of the scheme property is:			
(i) money in an account or on deposit with a bank and is available for withdrawal immediately, or otherwise on expiry of a fixed term not exceeding 90 days, during the normal business hours of the bank; or			
(ii) assets that the responsible entity can reasonably expect to realise for market value within 10 Business Days.			

## ASIC Disclosure Principles

The following information responds to ASIC's Disclosure Principles that relate to the ASIC Benchmarks in Section 4.

### Disclosure Principle 1: Liquidity

The Responsible Entity maintains a projected future cashflow forecast for a period of 12 months. The following parameters are taken into account when considering what the minimum level of acceptable liquidity is required for the Fund to meet its commitments:

- applications;
- withdrawals;
- distributions paid and reinvested;
- new loans approved and to be funded;
- loans maturing and being repaid;
- interest payments received (including any higher interest charges);
- interest received from the Fund's cash investments; and
- expenses incurred in managing and running the Fund.

The predominant underlying investments of the Fund are mortgages over commercial property. The Responsible Entity is bound to honour the contractual arrangements agreed with the borrower. Therefore, the underlying investments have a fixed period and in normal circumstances can only be exited at maturity. The Responsible Entity believes that the significant risk factors that may affect liquidity include:

- failure to repay a loan when requested to do so;
- security property being sold for less than the expected value;
- losses incurred in selling the underlying property as mortgagee in possession; and
- large unexpected withdrawals from the Fund.

Investments are generally made for a maximum of 3 years unless significant mitigating circumstances, such as strong long-term lease, are evident. In these circumstances the Responsible Entity is able to offer up to a maximum of 5 years.

The Responsible Entity attempts to weight the maturity profile of the Fund so that one third of all loans mature in a 12 month period.

In addition, the Responsible Entity maintains a preferred level of liquid (cash) investments of between 10% and 15% of the total funds under management. The constituted minimum level of liquid investments is 7.5%.

Management of the liquidity aspects of the Fund are overseen by the Responsible Entity via monthly review. Equity Trustees via its forecast quarterly cash flow, models the impact of a large number of investor withdrawals from the Fund. Should an event like this occur, we would curtail all new lending and seek repayment of loans falling due. Our projections indicate that these actions would be expected to generate sufficient liquidity to meet investor withdrawals and would not require new investments in the Fund.

### Disclosure Principle 2: Scheme borrowing

The Fund's Constitution provides the Responsible Entity with the ability to borrow. However the Responsible Entity chooses not to do so and does not expect to enter into any borrowing arrangements in the future. If the Responsible Entity decides to borrow on behalf of the Fund, it would make additional disclosures to investors. The Fund does not use Derivatives of any kind and undertakes all investments in Australian dollars.

Given the above, there is no requirement for interest or foreign exchange hedging policies.

### Disclosure Principle 3: Loan portfolio and diversification

As at 30 June 2017 the Fund's portfolio of indirect investments consists of the following:

Loan type	Number	Amount
<b>Loans by class of activity</b>		
Industrial	5	\$ 18,112,000
Commercial	23	\$ 78,364,000
Retail	37	\$ 72,133,000
Residential (Non NCCP)	10	\$ 5,227,000
Specialised	3	\$ 5,740,000
Other	–	–
<b>Total</b>	<b>78</b>	<b>\$ 179,576,000</b>
<b>Loans by geographic region</b>		
Victoria	73	\$ 160,151,000
New South Wales	–	–
Queensland	1	\$ 8,150,000
Western Australia	–	–
South Australia	4	\$ 11,275,000
Tasmania	–	–
ACT/NT	–	–
<b>Total</b>	<b>78</b>	<b>\$ 179,576,000</b>
<b>Loans in default or arrears for more than 30 days</b>		
The portfolio has no loans in arrears or default.		
<b>Nature of security for loans made by the Fund</b>		
All loans are secured by registered first mortgages.		
<b>Loan maturity profile</b>		
0 years to 1 year	18	\$ 26,251,500
1 year to 2 years	13	\$ 22,658,000
2 years to 3 years	34	\$ 83,313,500
3 years to 5 years	13	\$ 41,285,000
Greater than 5 years	–	–
<b>Total</b>	<b>78</b>	<b>\$ 179,576,000</b>
<b>Loan-to-value ratio profile</b>		
0% to 30.00%	29	\$ 16,201,000
30.01% to 40.00%	8	\$ 27,762,500
40.01% to 50.00%	11	\$ 21,807,000
50.01% to 60.00%	8	\$ 31,024,500
60.01% to 66.67%	22	\$ 82,781,000
Greater than 66.67%	–	–
<b>Total</b>	<b>78</b>	<b>\$ 179,576,000</b>
<b>Interest rate profile</b>		
Less than 3.99%	–	–
4.00% to 4.99%	30	\$ 85,017,500
5.00% to 5.99%	45	\$ 83,468,500
6.00% to 6.99%	3	\$ 11,090,000

Loan type	Number	Amount
Greater than 7.00%	–	–
<b>Total</b>	<b>78</b>	<b>\$ 179,576,000</b>

No loans are held where interest is capitalised to the loan.

Derivatives are not used by the Fund.

#### Proportion of loans to the 10 largest borrowers:

The Fund's largest borrower is one loan totalling \$14,900,000 which represents 6.51% of the portfolio.

The 10 largest aggregated borrowers have borrowed \$85,263,000 which represents 37.23% of the Fund's portfolio.

Please also refer to the disclosure in relation to single assets and borrowers in excess of 5% of the Fund's portfolio.

#### Other assets:

The Fund's only other assets is cash, which is invested in the EQT Cash Management Trust. As at 30 June 2017 the value of these other assets was approximately \$49.424 million.

#### Diversification policy:

The Fund endeavours to provide a portfolio of geographically and sector diverse of predominantly commercial property located within Australia however the existing portfolio is concentrated in Victoria.

The majority of the underlying loans were initially established via the EQT Mortgage Income Fund which was established in 1971 to provide an income vehicle for Equity Trustees' Private Client and Trustee business at a time when trustee company operations were restricted to the State in which it was incorporated.

There are currently no geographical limits imposed on the WMIF. These may be taken into account in the future, however, given that the primary investigation relies on a bottom up analysis as the major determinate of loan eligibility this will be a secondary consideration.

Sector spread is also a secondary consideration and there are no specific limits currently in place. The dominant factor for approval of the loan is the specific underlying property fundamentals of the transaction being contemplated.

#### How the Fund will generally lend funds:

The Responsible Entity attempts to provide loans that do not exceed 10% of the value of the Fund for any one borrower.

Servicing of the loan is based on sustainable income generated by the property being offered as security. Interest cover of 1.5 times is targeted as the preferred minimum level of income to service the loan.

The underlying security property is valued by an independent panel valuer at initial funding and at each rollover of the loan. The same valuer can only value to property on two consecutive occasions after which a new panel valuer is instructed to value the property.

The WMIF will only take First Ranking mortgages as the primary security when making an investment for the Fund. In most instances the security property is the source of income to support servicing of the loan.

The WMIF does not provide finance for construction or development loans. It will not provide finance for vacant land or provide finance where interest is capitalised to the loan.

#### Disclosure Principle 4: Related party transactions

The Fund does not provide loans to related parties.

Other publicly available funds managed by Equity Trustees do make arms length investments in the Fund. These include:

- EQT Growth Fund; and
- Trusts controlled by Equity Trustees.

These investments are managed by the Responsible Entity of each of these funds and the Trustees of the charitable trusts. These investments are reviewed monthly by the appropriate committee of the Responsible Entity or Trustee.

The Fund invests its cash holding in the EQT Cash Management Fund operated by Equity Trustees but is not restricted in investing in other cash management products.

As at 30 June 2017 the value of these investments in the Fund was approximately \$49.424 million.

#### Disclosure Principle 5: Valuation policy

Valuations are completed by an independent, approved panel valuer who is registered with the Australian Property Institute of Valuers, and are:

- addressed to Equity Trustees as Responsible Entity of the Fund;
- provided for mortgage lending purposes;
- no more than 3 months old at settlement; and
- required on renewal of the loan.

Valuation instructions are issued in writing on behalf of the Fund and must be acceptable to the Fund prior to any loan being drawn down.

In circumstances where the valuation is undertaken as part of a property purchase, the lesser of purchase price or value is adopted for LVR assessment purposes.

In addition, an annual kerbside valuation will be undertaken by Equity Trustees or its external property manager in the following circumstances:

- LVR greater than 50%;
- formally renewed more than 12 months prior; and/or
- not due for rollover within the following 12 months.

External valuers are used for all valuations at inception and at renewal of any loan held by the WMIF. The Responsible Entity uses Equity Trustees' property manager, who is a registered valuer, to assist with kerbside valuations.

Valuers are used on two consecutive occasions and then the task is rotated to a different valuer/firm.

Valuations are undertaken at inception and at rollover of each loan facility. The cost of each valuation is borne by the borrower.

There are no material inconsistencies with the current valuations over the security properties' and the Fund's valuation policy.

Details of the Fund's valuation policy can be obtained by contacting the Portfolio Manager – Mortgages at Level 2, 575 Bourke Street Melbourne VIC 3000.

#### Disclosure Principle 6: Lending principles - Loan-to-value ratios

The Fund does not provide funding for construction or development and undertakes lending only to established properties.

The WMIF does not lend more than 66.67% of the current 'as is' value of property at the time of the initial funding and subsequent rollover of the loan.

The maximum LVRs the WMIF will consider are as follows:

- 66.67% for commercial, retail, industrial and residential income producing property;

- 60.00% for non-recourse or limited recourse loans for commercial, retail, industrial and residential income producing property; and
- 55.00% for acceptable specialised property.

As at 30 June 2017 the weighted average LVR of the WMIF is 43.37%.

#### **Disclosure Principle 7: Distribution practices**

The Fund makes quarterly distributions to investors in January, April, July and October each year.

The Fund does not forecast a particular return or guarantee capital.

Distributions are paid solely from the payments received from the underlying investments made by the Fund.

#### **Disclosure Principle 8: Withdrawal arrangements**

The Responsible Entity will aim to process withdrawal requests within 7 business days of receipt from the specified withdrawal request. However, you should be aware that the Fund's constitution allows up to 6 months in some circumstances to process withdrawal requests (which may be extended by up to a further 6 months in certain circumstances outside the control of the Responsible Entity). The Responsible Entity reserves the absolute right to increase or reduce the withdrawal periods for the Fund subject to the above extensions of time.

The Responsible Entity undertakes a 12 month projected cash flow based on the previous 12 months transactions to determine the minimum level of liquid assets to hold at any point in time. Currently the minimum level of liquid assets is considered to be 7.50%. The Responsible Entity attempts to weight the maturity profile of the Fund so that one third of all loans mature in a 12 month period.

The liquid assets of the Fund are held in cash and term deposits and EQT Cash Management Trusts.

When the Fund is not liquid, investors will not have the right to withdraw from the Fund other than pursuant to a withdrawal offer made by the Responsible Entity.

The Responsible Entity believes that the significant risk factors that may affect liquidity include:

- failure to repay the loan when requested to do so;
- security property being sold for less than the expected value;
- losses incurred in selling the underlying property as mortgagee in possession; and
- large unexpected withdrawals from the Fund.

The Responsible Entity attempts to maintain a fixed unit price. The above risk factors may impact the Equity Trustees property manager's ability to maintain a fixed unit price.

## 5. Managing risk

All investments carry risks, including volatility of returns. Volatility refers to the degree to which returns may fluctuate around their long-term average. Each Asset Class, whether it is cash, fixed interest, property, Australian or international shares, has associated investment risks and the return achieved by each will vary accordingly.

You should be aware that an investment in the Fund involves risk and neither the performance of the Fund nor the security of your investment is guaranteed by Equity Trustees. Investment in the Fund is generally subject to risks, including possible delays in the payment of withdrawal proceeds, and loss of income and capital. We recommend you talk to an adviser about the risks involved in investing in the Fund and how they might impact on your individual financial circumstances.

### **Economic risk**

A downturn in general economic conditions either inside or outside Australia may adversely affect investments.

### **Fund risk**

As with all managed funds, there are risks particular to the Fund. These include the possibility that the Fund could terminate, Equity Trustees is replaced as Responsible Entity, or that the fees and expenses could change. There is also a risk that investing in the Fund may give different results than investing directly in the underlying assets. 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.

### **Interest rate risk**

Changes in official interest rates can directly impact on investment returns of the Fund. This is due to the fact that the Fund's performance is measured against the RBA Cash Rate. Any changes in the RBA Cash Rate can have a positive or negative impact on the performance figures for the Fund.

Also, an increase in interest rates has a contractionary effect on the state of the economy and thus the valuation of financial products. For instance, rising rates can have a negative impact on the Fund's value as increased borrowing costs may cause earnings to decline. As a result, the Fund's unit price may fall.

### **Legal and regulatory risk**

There is a risk that laws, including tax laws, might change or become difficult to enforce.

### **Liquidity risk**

There may be times when the readily realisable assets of the Fund may not be sufficient to meet the Fund's liabilities. The

Responsible Entity attempts to mitigate the liquidity risk factor by ensuring the Fund has sufficient cash exposure to meet liquidity requirements. Please note that Equity Trustees does not guarantee the liquidity of the Fund's investments.

### **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 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. For mortgages, deposits and money market securities, market risk is also the risk that the income derived from these assets will be affected by movements in interest rates. The Responsible Entity aims to manage this risk by using highly experienced loan managers who closely monitor the ongoing loan portfolio to ensure continued compliance with the Fund's lending guidelines.

## **Additional Fund specific risks**

### **Default risk**

The value of the Fund's assets (specifically secured loans on First Ranking mortgages) is subject to variation based on fluctuations in the property market and the broader economic cycle. This means that should the mortgagor default on their payment and the property has to be sold, the proceeds may not meet the cost of the loan. Equity Trustees mitigates this risk in its selection of mortgagors and its conservative LVR.

### **Diversification risk**

Properties securing the Fund's mortgage loans may not be sufficiently diversified across geographic regions and types of assets.

### **Documentation risk**

A deficiency in documentation provided by the underlying borrowers could, in certain circumstances, adversely affect the performance of the Fund.

### **Investment selection risk**

The Responsible Entity may make poor investment decisions resulting in sub-standard returns (for example where the Responsible Entity invests in a mortgage in respect of which there is a default or the value of the security property falls below the LVR). This risk is mitigated to some extent by the knowledge and experience of the Investment Manager.

## 6. Investing and withdrawing

### IDPS investors

The Responsible Entity has authorised the use of this PDS as disclosure to investors or prospective clients of IDPS and IDPS-like schemes. These are sometimes known as 'wraps' or 'platforms'. They provide investors with a menu of investment opportunities.

Investors who invest through an IDPS may rely on the information in this PDS to give a direction to the operator of the IDPS to invest in the Fund on their behalf. The Responsible Entity agrees to provide notice to the operators of the IDPS promptly of any supplementary or replacement PDS that is issued under the Corporations Act.

Importantly, investors who invest in the Fund through an IDPS do not become unit holders of the Fund. In those instances the unit holder of the Fund is the operator of the IDPS. The unit holders' rights set out in this PDS may only be exercised by IDPS Operator on behalf of the investor for whom they have acquired the units.

Investors should read this PDS in conjunction with the offer documents issued by the IDPS Operator. Investors complete the application forms for their IDPS or IDPS-like scheme and receive reports concerning the Fund from their IDPS Operator. Enquiries should be directed to the IDPS Operator.

### Initial application

Send your completed Application Form, together with the relevant certified identification documents, to the following postal address:

Equity Trustees Unit Registry  
GPO Box 804  
Melbourne VIC 3001

Please note the application will not be accepted until cleared funds are received. Cash and cheque cannot be accepted. You can apply using BPAY, direct credit and direct debit payment options.

### Additional applications

For additional applications you can either mail your completed Application Form to the address above, or fax it to the following:

Equity Trustees Unit Registry  
GPO Box 804  
Melbourne VIC 3001  
Fax: +61 3 9977 5871  
Email: equitytrustees\_transactions@unitregistry.com.au

### 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 Additional Application Form. The minimum additional investment into the Fund is \$5,000.

You can pay using direct credit, direct debit or BPAY. Instructions are included in our forms. Cash and cheque is not accepted. Please use your investor name or number as the reference when transferring funds to us electronically.

### By BPAY

You can make additional investments (not initial investments) by using BPAY. To facilitate the use of this service you will need to use your online banking Service from your participating Australian financial institution\* to establish this service.

You will need to quote Equity Trustees' relevant Fund Biller Code as recorded on the Equity Trustees Application Form and your Equity Trustees Account Number as the BPAY Reference

Number (refer to your last transaction confirmation or statement). Your Equity Trustees BPAY Reference Number is required so that we can identify your application monies. Please notify Equity Trustees Investor Services in writing of your BPAY deposit (including which of the Funds the monies are to be applied to). BPAY investment instructions submitted prior to 2.00pm (Australian AEST) on a Business Day will generally be processed effective for this day provided that you have provided us notice of your BPAY deposit before this time.

\*BPAY is not currently available for New Zealand financial institutions.

### Terms and conditions for applications

Applications can be made anytime however, for unit pricing purposes and income accrual purposes, any application received after 2:00pm (Australian EST) on a Business Day will generally be treated as having been received the following Business Day.

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

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

### Cooling off period

If you are a Retail Client you may have a right to 'cool off' (i.e. withdraw from the Fund) in relation to an investment in the Fund within 14 days of the earlier of:

- confirmation of the investment being received or available; 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 a 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. The right to cool off may not apply if you are an Indirect Investor, even if you are a Retail Client. The terms and conditions of the IDPS Guide or similar type document will govern your investment in relation to the Fund and any rights you may have in this regard.



## Making a withdrawal

Investors in the Fund can withdraw their investment by mailing, faxing or emailing:

Equity Trustees Unit Registry  
GPO Box 804  
Melbourne VIC 3001  
Email: equitytrustees\_transactions@unitregistry.com.au  
Fax: +61 3 9977 5871

All withdrawal requests must be signed by the investor(s). Withdrawal requests received by 2:00pm (Australian EST) on a Business Day will be processed that day. Any withdrawal request received after that time will generally be treated as having been received the following Business Day.

The withdrawal price of a unit in the Fund is generally based on the NAV of the Fund less accrued income divided by the number of units on issue.

## Access to funds

The Responsible Entity will aim to process withdrawal requests within 7 business days of receipt from the specified withdrawal request. However, you should be aware that the Fund's constitution allows up to 6 months in some circumstances to process withdrawal requests (which may be extended by up to a further 6 months in certain circumstances outside the control of the Responsible Entity). The Responsible Entity reserves the right to increase or reduce the withdrawal periods for the Fund subject to the above extensions of time.

If you have invested indirectly in the Fund through an IDPS, 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.

Where the Fund is not liquid (as defined in the Corporations Act) an investor does not have a right to withdraw from the Fund and can only withdraw where the Responsible Entity makes a withdrawal offer to investors in accordance with the Corporations Act. The Responsible Entity is not obliged to make such offers. The Fund will be liquid if at least 80% of the assets of the Fund are liquid assets. Broadly, liquid assets are money in an account or on deposit with a financial institution, bank accepted bills, marketable securities, other prescribed property and other assets that the Responsible Entity reasonably expects can be realised for their market value within the period specified in the Constitution for satisfying withdrawal requests while the Fund is liquid.

## Terms and conditions for withdrawals

The Responsible Entity is not required to give effect to a withdrawal request in respect of the Fund if it is for less than the minimum withdrawal amount. Equity Trustees has the right to fully withdraw an investor's investment in the Fund after giving investors 30 days, where their holding falls below the minimum balance amount.

Equity Trustees will refuse to comply with any withdrawal request if the requesting party does not satisfactorily identify themselves as the investor. Withdrawal payments will not be made to third parties (including authorised nominees), and will only be paid directly to the investor's bank account held in the name of the investor at a branch of an Australian domiciled bank. By lodging a faxed withdrawal request the investor releases, discharges and agrees to indemnify Equity Trustees from and against any and all losses, liabilities, actions, proceedings, account claims and demands arising from any faxed withdrawal request.

The investor also agrees that any payment made in accordance with a faxed withdrawal request shall be a complete satisfaction of the obligations of Equity Trustees, notwithstanding any fact or circumstance including that the payment was made without the

investor's knowledge or authority. The investor agrees that if the payment is made in accordance with a faxed withdrawal request, the investor and any person claiming through or under them shall have no claim against Equity Trustees in relation to the payment.

## Distributions

A distribution comprises an investor's share of any distributable income earned by the Fund in which you have invested. An investor's share of any distributable income is generally based on the number of units held by the investor during the distribution period.

Generally, the income entitlements of unit holders are determined quarterly (January, April, July and October) and distributions are normally paid by the 15th day of the following month, although the distribution at the end of a financial year may take longer. While Equity Trustees proposes to calculate and pay Income Distributions quarterly, the Constitution of the Fund allows for a distribution period of up to 12 months. However, Indirect Investors should review their IDPS Guide for information on how and when they receive any income distribution.

If you are an investor in the Fund, you can:

- have your distribution reinvested back into the Fund in which you have invested; or
- have your distribution directly credited to your nominated bank account.

If you do not make an election, your Income Distribution will be reinvested automatically and will be taken to be received prior to the next valuation time after the relevant distribution period.

The Constitution provides for money payable to an investor to be reinvested where the Responsible Entity attempts to pay the money by electronic transfer and the electronic transfer fails on 3 occasions.

## Valuation of the Fund

The value of a unit is determined every Business Day and is determined on the basis of the value of the investments of the Fund (after taking into account any liabilities), in accordance with the Fund's Constitution.

The NAV of each Fund is calculated every Business Day. The NAV of the Fund is calculated by deducting from the value of the gross assets of the Fund and the value of the liabilities of the Fund.

The application price of a unit in the Fund is based on the NAV of the Fund less accrued income divided by the number of units on issue. The Responsible Entity can also make an allowance for transaction costs required for buying investments in determining the application price of a unit in the Fund. This allowance is known as a Buy Spread. The Responsible Entity does not currently impose a Buy Spread for the Fund.

The unit price for the Fund is based on the value of investments in the Fund. Given the nature of the investments in the Fund, Equity Trustees considers that the unit price for the Fund will be maintained at \$1.00 unless unexpected losses are incurred.

## Joint account operation

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

## Appointment of authorised nominee to operate account

Investors may elect to appoint an authorised nominee to operate their account. The relevant sections on the Application



Form need to be completed, including the name and signature of the authorised nominee, the signature of the investor and the date. Only investors can appoint authorised nominees. If you appoint an authorised nominee we suggest that you ensure that:

- they cannot appoint another nominee; and
- the appointment lasts until cancelled by you in writing or by the Responsible Entity.

If the Responsible Entity determines that the circumstances require, the Responsible Entity may cancel an appointment by giving the investor 14 days notice in writing. If an appointment is cancelled, the Responsible Entity will not be obliged to act on the instructions of the authorised nominee. If the instructions are varied, the Responsible Entity will act only in accordance with the varied instructions. By completing and lodging the relevant sections on authorised nominees on the Application Form you release, discharge and agree to indemnify the

Responsible Entity from and against any and all losses, liabilities, actions, proceedings, account claims and demands arising from the Responsible Entity acting on the instructions of your authorised nominee.

You also agree that any instructions of your authorised nominee to the Responsible Entity, which are followed by the Responsible

Entity, shall be a complete satisfaction of the obligations of the Responsible Entity, notwithstanding any fact or circumstance, including that the instructions were made without your knowledge or authority. You agree that if the authorised nominee's instructions are followed by the Responsible Entity, you and any person claiming through or under you shall have no claim against the Responsible Entity in relation to the instructions.

An authorised nominee can, among other things:

- apply for additional investment units;
- request that distribution instructions be altered;
- change bank account details;
- withdraw all or part of your investment; and
- enquire as to the status of your investment and obtain copies of statements.

Withdrawal payments will not be made to third parties. If a company is appointed as an authorised nominee, the powers will extend to any director and authorised officer of the company. If a partnership, the powers will extend to all partners.

## 7. Keeping track of your investment

### Enquiries and complaints

If you have any questions regarding the management of the Fund, you can contact the Investment Manager on +61 3 8623 5000. If you are not completely satisfied with any aspect of our services regarding the management of the Fund, please contact Equity Trustees. Equity Trustees seeks to resolve potential and actual complaints over the management of the Fund to the satisfaction of investors. If you wish to lodge a formal complaint please write to:

Compliance Team  
Equity Trustees Limited  
GPO Box 2307  
Melbourne VIC 3001  
Email: [complianceteam@eqt.com.au](mailto:complianceteam@eqt.com.au)

Equity Trustees will respond within 14 days of receiving the complaint and will seek to resolve your complaint as soon as practicable but not longer than 45 days after receiving the complaint. If we are unable to resolve your complaint, you may be able to seek assistance from the Financial Ombudsman Service ("FOS"). To find out whether you are eligible (and if so, to make a complaint) contact FOS on 1800 367 287 (Australia) or +61 3 9613 7366, [info@fos.org.au](mailto:info@fos.org.au) or GPO Box 3, Melbourne VIC 3001.

Please include the Equity Trustees FOS membership number with your enquiry. It is 10395.

FOS can assist you if Equity Trustees cannot. FOS may not consider a dispute where the value of a person's claim exceeds \$500,000. FOS is only able to make a determination of up to \$309,000 per managed investment claim (excluding compensation for costs and interest payments). These monetary limits and the FOS terms of reference do change from time to time. Current details can be obtained from the FOS website ([www.fos.org.au](http://www.fos.org.au)).

### Reports

We will make the following statements available to all investors;

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

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

The following information is available on Equity Trustees's website and/or is disclosed monthly:

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

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

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

If and when the 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 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 through ASIC's website at [www.asic.gov.au](http://www.asic.gov.au).

### Online access

You can view information about your investment in the Fund online through Investor Online access. To do so you must read the 'OneVue Fund Services Pty Limited ("OFS") Website Terms and Conditions'. To be able to use Investor Online Access, you must accept the conditions of use in Section 12 of this PDS document. By completing the Equity Trustees Application Form, you accept the terms and conditions for use of Investor Online access. This service is provided by the unit registrar (OneVue Fund Services Pty Limited).

Further information on gaining access to Investor Online access will be received upon confirmation of your initial investment.

### **Online account access – financial advisers**

We can provide your financial adviser online access to view your account should you wish to allow your adviser access to your

online account. Please refer to the Equity Trustees Application Form.

## 8. Fees and other costs

The warning statement below is required by law to be displayed at the beginning of the 'Fees and other costs' section of product disclosure statements for managed investment products. The example given in the warning statement does not relate to any investments described within this PDS.

### DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your investment balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

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

You may be able to negotiate to pay lower 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.

This table shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the Fund's assets as a whole.

Information about taxation is set out in Section 10 of this document.

You should read all the information about fees and costs because it is important to understand their impact on your investment. For Indirect Investors, the fees listed in the 'Fees and other costs' section of this PDS are in addition to any other fees and charges charged by your IDPS Operator.

Type of fee or cost	Amount	How and when paid
<b>Fees when your money moves in or out of the Fund</b>		
<i>Establishment fee</i> The fee to open your investment	Nil	There is no establishment fee payable when you set up your investment in the Fund.
<i>Contribution fee</i> The fee on each amount contributed to your investment	Nil	There is no contribution fee payable when you invest in the Fund.
<i>Withdrawal fee</i> The fee on each amount you take out of your investment	Nil	There is no withdrawal fee payable when you redeem investments from the Fund.
<i>Exit fee</i> The fee to close your investment	Nil	There is no exit fee payable when you close your investment in the Fund.
<b>Service fees</b>		
<i>Investment switching fee</i> The fee for changing investment options	Nil	Not applicable
<b>Management costs</b>		
The fees and costs for managing your investment	0.80% p.a. (Based on a constant investment of \$50,000 the amount in dollars is \$400).	The Responsible Entity fee is calculated and accrued daily based on the NAV of the Fund. The accrued fees are paid in arrears by deduction from the Fund assets at the end of each month. The Responsible Entity fees reduce the NAV of the Fund and are reflected in the unit price.  See also 'Differential fees' in 'Further information regarding fees' section below.

### Additional Explanation of Fees and Costs

#### What do the Management Costs pay for?

Management costs comprise the additional fees or costs that a member incurs by investing in the Fund rather than by investing directly in the assets.

The management fees of 0.80% p.a. of the NAV of the Fund 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. 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 costs shown above do not include extraordinary expenses (if they are incurred in future) such as litigation costs, the costs of convening member meetings and other costs.

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 recovered through Buy/Sell Spreads).

### Transactional and operational costs

In managing the assets of the Fund, the Fund may incur transaction costs such as documentation costs, registration costs and settlement costs when assets are bought and sold. This generally happens when the assets of a fund are changed in connection with normal trading or when there are applications or withdrawals which cause net cash flows into or out of a 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/Sell Spread is paid into the Fund and not paid to Equity Trustees. The estimated Buy/Sell Spread is nil upon entry and nil upon exit. 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 redemptions arise through the normal

trading of the Fund's assets and are reflected in the Fund's unit price. As these costs are factored into the Net Asset Value of the Fund and reflected in the interest rate payable in the distribution payable, they are an additional implicit cost to the investor and are not a fee paid to the Responsible Entity.

During the financial year ended 30 June 2017, the total transaction costs for the Fund were estimated to be 0.13% of the NAV of the Fund, of which none of these transaction costs were recouped via the Buy/Sell Spread, resulting in a net transactional cost to the Fund of 0.13%.

### Can the fees change?

Yes, all fees can change without investor consent. In most circumstances the Constitution defines the maximum fees that can be charged for fees described in this PDS. We have the right to recover all proper and reasonable expenses incurred 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. Expense recoveries and Buy/Sell Spreads may change without notice, for example, when it is necessary to protect the interests of existing members and if permitted by law.

### Differential fees

In some circumstances the requirements of Part 3.5D of the Corporations Act will require that a lower fee be charged, for example for a charitable trust.

### GST

All fees and other costs quoted include GST less any reduced input tax credits.

## Managed investment products – Example of annual fees and costs for the Fund

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

Example – EQT Wholesale Mortgage Income Fund		
BALANCE OF \$50,000 WITH A CONTRIBUTION OF \$5,000 DURING THE YEAR*		
Contribution Fees	Nil	For every \$5,000 you put in, you will be charged \$0
Plus Management Costs	0.80% p.a.	And, for every \$50,000 you have in the Fund you will be charged \$400 each year
Equals Cost of Fund		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, then you would be charged fees of: \$400** <b>What it costs you will depend on the fees you negotiate.</b>

\* 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. 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 fees calculator on its website [www.moneysmart.gov.au](http://www.moneysmart.gov.au), which you could use to calculate the effects of fees and costs on your investment in the Fund.

## 9. Taxation

The following summary of taxation matters is a general guide that outlines the taxation implications applicable to the Fund and resident investors who are not considered to be trading in investments for tax purposes. The summary is based on the tax laws as at the date of this PDS. The tax laws are subject to continual change, and as the tax treatment applicable to particular investors may differ, it is recommended that all investors seek their own professional advice on the taxation implications before investing in the Fund.

### Taxation of the Fund

The Fund is a resident of Australia for tax purposes; therefore, the Fund is required to determine its net income (taxable income) for the year of income. Where the Fund realises a capital gain on the disposal of an asset, the Fund may be entitled to take into account the discount capital gain concessions in determining the amount of the net capital gain that is included in the Fund's net income. On the basis that investors are presently entitled (which is Equity Trustees' intention) to the net income of the Fund (including net taxable capital gains), pursuant to the existing income tax legislation, the Fund should not be subject to Australian income tax. In the case where a Fund makes a loss for tax purposes, the Fund cannot distribute the loss to investors. However, subject to the Fund meeting certain conditions, the Fund may be able to take into account the losses in subsequent years.

### Distributions

Generally, an investor's entitlement (share) to the net income of a Fund for a year of income, including amounts that are received in a subsequent year of income or which are reinvested, forms part of the investor's assessable income for that year.

If an investor's share of the net income of a Fund includes an amount that consists of discount capital gains derived by the Fund, the investor needs to first 'gross up' the discount capital gain (by the amount of any reduction in the capital gain that the Fund obtained). However, individual, trust, and complying superannuation fund investors may then be entitled, in determining the net capital gain that is to be included in their assessable income, to the discount capital gain concessions. Furthermore, investors may be able to offset certain other capital losses they may have against their share of the capital gains included in the net income of the Fund (after grossing up any discount capital gains).

### Imputation credits and franked dividends

Income Distributions from a Fund may include an entitlement to franked dividends. Generally, investors should include the franked dividends and the franking credits (imputation credits) they receive in their assessable income.

Certain additional requirements, including the 45 day holding period rule may need to be satisfied in order to obtain franking credits in relation to dividends. The investor's particular circumstances (and that of the relevant Fund) will be relevant to determine whether the investor is entitled to any franking credits, in respect of the investor's share of the franked

dividends. Any excess imputation credits may be refundable to some investors, such as individuals and complying superannuation funds.

### Non-assessable distribution payments

Distributions of non-assessable amounts are generally not subject to tax. Examples of non-assessable amounts include distributions comprising amounts attributable to deductions for capital allowances. Although the receipt of non-assessable amounts is generally not subject to tax, the receipt of certain non-assessable amounts may have capital gains tax consequences. Broadly, the receipt of certain non-assessable amounts may reduce the cost base and reduced cost base of the investor's investment in a Fund. The impact of the reduction to the cost base and reduced cost base may result in either an increased capital gain or a reduced capital loss on the subsequent disposal of the investment in the Fund.

### Discount capital gain concession

To the extent that the distributed non-assessable amounts consist of the discount capital gain concession, no adjustment to the cost base or reduced cost base of the underlying investment in the Fund should be required. However, investors that are companies and complying superannuation funds may not receive the full benefit of the discount capital gain concessions (whether distributed or not). This is because companies are not entitled to the discount concessions and the discount concession rate applying to complying superannuation funds is lower than that which apply to trusts and individuals.

### Disposal of units by investors

Any taxable capital gain arising from the disposal of an investment in a Fund may form part of the investor's assessable income. Investors that are individuals, trusts, and complying superannuation funds may be eligible for the discount capital gain concession if their investment (units) has been held for 12 months or more and, the Fund and the investor satisfy certain other requirements.

### Tax File Numbers ("TFN") and Australian Business Numbers ("ABN")

It is not compulsory for an investor to quote their TFN or ABN. If an investor is making this investment in the course of a business or enterprise carried on by the investor, the investor may quote an ABN instead of a TFN. Failure by an investor to quote an ABN or TFN or claim an exemption may cause Equity Trustees to withhold tax at the top marginal rate plus the Medicare Levy, on gross payments including distributions of income to the investor. The investor may be able to claim a credit in the investors' tax return for any TFN/ABN tax withheld. By quoting their TFN or ABN, the investor authorises Equity Trustees to apply it in respect of all the investor's investments with Equity Trustees. If the investor does not want to quote their TFN or ABN for some investments, Equity Trustees should be advised.



## 10. Other important information

### Interest on application money

The Fund will retain all interest earned on application money received.

### Non-listing of units

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

### Termination of the Fund

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

### Our legal relationship with you

Equity Trustees' responsibilities and obligations, as the Responsible Entity of the Fund, are governed by the Constitution of the Fund, as well as the Corporations Act and trust law. The Constitution of the Fund contains a number of provisions relating to the rights, terms, conditions and obligations imposed on both Equity Trustees, as the Responsible Entity of the Fund, and investors.

A copy of the Constitution of the Fund is available, free of charge, on request from Equity Trustees.

The Fund is a 'common fund' under section 601SCA of the Corporations Act.

### Compliance plan

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

### Unit pricing discretions policy

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

### Indemnity

Equity Trustees, as the Responsible Entity of the Fund, is indemnified out of the Fund against all liabilities incurred by it in performing or exercising any of its powers or duties in relation to the Fund. To the extent permitted by the Corporations Act, this indemnity includes any liability incurred as a result of any act or omission of a delegate or agent appointed by the Responsible Entity. Equity Trustees may retain and pay out any monies in its hands all sums necessary to affect such an indemnity.

### Privacy

The Privacy Act 1988 (Privacy Act) and the Australian Privacy Principles regulate the way organisations collect, use, disclose, keep, secure and give people access to their personal information. At Equity Trustees we are committed to respecting the privacy of your personal information throughout the information lifecycle and our Privacy Policy details how we do this.

Equity Trustees may collect personal information about you and individuals associated with you in order to provide products and services to you, and to ensure compliance with legal and regulatory obligations (including under the Corporations Act, the AML/CTF Act and tax related legislation). You must ensure that all personal information which you provide to Equity Trustees is true and correct in every detail, and should those personal details change it is your responsibility to ensure that you promptly advise Equity Trustees of the changes in writing. 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). We may also obtain or confirm information about you from publicly available sources in order to meet regulatory obligations.

Equity Trustees may disclose your information to other members of our corporate group or to third parties, where it is necessary, in order to provide you with the products or services. Those third parties may be situated in Australia or offshore, and we take reasonable steps to ensure that all third parties with whom we have a contractual relationship or other influence comply with the Australian Privacy Principles.

The 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, the administrator, custodian, auditors, or those that provide mailing or printing services;
- those where you have consented to the disclosure and as required by law; and
- regulatory bodies such as ASIC, ATO, APRA and AUSTRAC.

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" by contacting Equity Trustees.

Equity Trustees' Privacy Policy contains information about how you can access information held about you, seek a correction if necessary, make a complaint if you think there has been a breach of your privacy and about how Equity Trustees will deal with your complaint.

Full details of Equity Trustees' Privacy Policy is available at . You can contact Equity Trustees' Privacy Officer on +61 3 8623 5000, or email [privacy@eqt.com.au](mailto:privacy@eqt.com.au) to request a copy.

### 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

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 unitholders 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 a standardised set of rules developed by the Organisation of Economic Co-operation and Development that 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. From 1 July 2017, Australian financial institutions will 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. However, penalties may apply for failing to comply with the CRS obligations.



# 11. Direct Debit Terms and Conditions

This is your Direct Debit Service Agreement with OneVue Fund Services Pty Ltd ABN 18 107 333 308 (User ID 411595).

It explains what your obligations are when undertaking a direct debit arrangement with us. It also details what our obligations are to you as your direct debit provider.

## Definitions

**Account** means the account held at your financial institution from which we are authorised to arrange for funds to be debited.

**Agreement** means this Direct Debit Request Service Agreement between you and us.

**Banking Day** means a day other than a Saturday or a Sunday or a public holiday listed throughout Australia.

**Debit Day** means the day that payment by you to us is due.

**Debit Payment** means a particular transaction where a debit is made.

**Direct Debit** request means the direct debit request between us and you as generated by selecting the direct debit option in the application form.

**Us** or **We** means OneVue Fund Services Pty Ltd ABN 18 107 333 308 (User ID 411595) which you have authorised by requesting a direct debit request. **You** means the customer who has signed or authorised by other means the direct debit request.

**Your financial institution** means the financial institution nominated by you on the direct debit request at which the account is maintained.

## 1. Debiting your account

1.1 By selecting the direct debit option and completing the direct debit request, or by providing us with a valid instruction, you have authorised us to arrange for funds to be debited from your account. You should refer to the direct debit request and this Agreement for the terms of the arrangement between us and you.

1.2 We will only arrange for funds to be debited from your account as authorised in the direct debit request.

1.3 If the debit day falls on a day that is not a banking day, we may direct your financial institution to debit your account on the following banking day. If you are unsure about which day your account has or will be debited you should ask your financial institution.

## 2. Changes by us

2.1 We may vary any details of this Agreement or a direct debit request at any time by giving you at least fourteen (14) days written notice.

## 3. Changes by you

3.1 You may change\*, stop or defer a debit payment, or terminate this Agreement by providing us with at least fourteen (14) days notification by writing to:

Equity Trustees Registry Team  
GPO Box 804  
Melbourne Vic 3001

or

by telephoning us on 1300 011 130 during business hours; or arranging it through your own financial institution, which is required to act promptly on your instructions.

\* Note: in relation to the above reference to 'change', your financial institution may 'change' your debit payment only to the extent of advising us your new account details.

## 4. Your obligations

4.1 It is your responsibility to ensure that there are sufficient cleared funds available in your account to allow a debit payment to be made in accordance with the direct debit request.

4.2 If there are insufficient cleared funds in your account to meet a debit payment:

(a) you may be charged a fee and/or interest by your financial institution;

(b) you may also incur fees or charges imposed or incurred by us; and

(c) you must arrange for the debit payment to be made by another method or arrange for sufficient cleared funds to be in your account by an agreed time so that we can process the debit payment.

4.3 You should check your account statement to verify that the amounts debited from your account are correct.

## 5. Dispute

5.1 If you believe that there has been an error in debiting your account, you should notify us directly on 1300 011 130 and confirm that notice in writing with us as soon as possible so that we can resolve your query more quickly. Alternatively, you can take it up directly with your financial institution.

5.2 If we conclude as a result of our investigations that your account has been incorrectly debited we will respond to your query by arranging for your financial institution to adjust your account (including interest and charges) accordingly, we will also notify you in writing of the amount by which your account has been adjusted.

5.3 If we conclude as a result of our investigations that your account has not been incorrectly debited we will respond to your query by providing you with reasons and any evidence for this finding in writing.

## 6. Accounts

You should check:

(a) with your financial institution whether direct debiting is available from your account as direct debiting is not available on all accounts offered by financial institutions;

(b) your account details which you have provided to us are correct by checking them against a recent account statement; and

(c) with your financial institution before completing the direct debit request if you have any queries about the direct debit request.

## 7. Confidentiality

7.1 We will keep any information (including your account details) in your direct debit request confidential. We will make reasonable efforts to keep any such information that we have about you secure and to ensure that any of our employees or agents who have access to information about you do not make any unauthorised use, modification, reproduction or disclosure of that information.

7.2 We will only disclose information that we have about you:

(a) to the extent specifically required by law; or

(b) for the purposes of this Agreement (including disclosing information in connection with any query or claim).

## 12. Online access

### ONEVUE FUND SERVICES PTY LIMITED ("OFS") WEBSITE TERMS AND CONDITIONS

The Terms and Conditions set out below relate to the use by You of OFS Online Services, and will be automatically displayed when You first enter OFS Online Services or in the event that the Terms and Conditions are modified. Before accessing OFS Online Services for the first time, You must agree to be bound by these Terms and Conditions of use. Any subsequent use of OFS Online Services by You will also be subject to these Terms and Conditions (as amended).

These Terms and Conditions are available for review at all times on OFS Online Services by clicking on the link appearing at the bottom of the site.

### THESE TERMS AND CONDITIONS ARE LEGALLY BINDING. PLEASE READ THEM CAREFULLY.

#### Definitions

In these Terms and Conditions, unless the context requires otherwise, terms defined in the *Corporations Act 2001* (Cth) have the same meaning given to those terms in that Act and the following terms have the meaning set out below.

**OFS** means OneVue Fund Services Pty Limited (ABN 18 107 333 308).

**OFS Online Services** means the internet website provided by OFS which enables You to access certain information in relation to your or your Client's holding of Products in a Fund, or the Fund generally, whether as:

- an investor through the use of the web portal known as 'Investor Online', 'Unit Holder Online', 'Investor Portal', 'Investor Web' or 'Donor Login';
- a financial Adviser (or otherwise) through the use of the web portal known as 'Adviser Online', 'Advisor Portal' or 'Advisor Web'; or
- a responsible entity, trustee or fund manager (or otherwise) of a Fund through the use of the web portal usually known as 'Fund Manager Online'.

**Client** means a person holding Products in a Fund on whose behalf a Representative is authorised to act.

**Consequential Loss** means in respect of a breach of these Terms and Conditions or other wrongful act or omission of OFS:

- any loss suffered by You or your Client which cannot reasonably be considered to arise naturally from and in the usual course of that breach of contract or other wrongful act or omission of OFS; and
- any and all loss of profit, loss of revenue, loss of goodwill, loss of opportunity and loss of savings and all consequential, special, indirect, exemplary or punitive loss suffered by You or your Client in relation to that breach of contract and other wrongful act or omission of OFS; whether arising in contract, tort (including negligence) or equity or under statute.

**Fund** means a managed investment scheme, unit trust, partnership or other entity (as the case may be), whether registered or unregistered and whether listed on the Australian Securities Exchange or not, where (and only where) the register of members for that scheme, trust, partnership or other entity is maintained by OFS.

**Product** means a financial product which has been issued to You or your Client by a Fund.

**Representative** means a responsible entity or a trustee of a Fund and its authorised representatives, a manager of a Fund (where the manager is different to the responsible entity of the Fund) and its authorised representatives, a representative of a dealer group authorised to distribute Products of a Fund or a financial Adviser authorised in writing to act on behalf of a Client.

**You** means a person holding Products in a Fund or a Representative (as the case may be).

#### General

Through OFS Online Services You will be able to see details of your, or your Client's, holdings of Products in a Fund.

The first time You access OFS Online Services You will be required to access the website using a User ID and a temporary password which will have been assigned and notified to You by OFS. After accessing OFS Online Services for the first time, You will be able to change your password. Your User ID and chosen password will then be used by You to gain access to OFS Online Services on an ongoing basis.

For Representatives associated with more than one Fund in circumstances where those Funds are managed by more than one manager, you will be assigned a different User ID and password in respect of each manager.

Your User ID and password must be kept confidential and should not be recorded in the same place as any other information relevant to your, or your Client's, holding in a Fund. Where You do disclose your User ID and/or password to another person then, to the extent permitted by law, OFS disclaims all liability for any loss or damage that You (or your Client, if applicable) may suffer as a result of that person accessing OFS Online Services and gaining access to your, or your Client's, information.

When you access OFS Online Services, You will be able to view certain information regarding your, or your Client's, holdings in a Fund, including:

- your, or your Client's, name, address and other relevant contact details;
- whether You have, or your Client has, provided a Tax File Number;
- how You have, or your Client has, nominated to receive distributions made by a Fund;
- where applicable, details of your or your Client's nominated default bank account;
- the number of Products You hold, or your Client holds, in a Fund, and the value of that investment; and
- to the extent possible, transactions undertaken in respect of your, or your Client's, holdings.

**Except as described below, OFS Online Services is an enquiry only website.** You may run reports in relation to your, or your Client's, holding in a Fund, and download certain information, but You will not be able to effect transactions (for example, transfers of Products) or change source information through the website.

If You use 'Investor Online', then You will be able to make changes through that web portal to certain static data relating to your holding in a Fund, namely your contact details (for example, your residential address and telephone number), Tax File Number and Australian Business Number (if applicable).

When you supply information through OFS Online Services, OFS will facilitate the recording of the information against the holding You have nominated. However, OFS does not guarantee that the tasks can be effected electronically. There will be a delay of at least one business day before any changes You make to information through OFS Online Services are processed, updated and visible on OFS Online Services.

Where You download information from OFS Online Services and You make, or another person makes, changes to that information then, to the extent permitted by law, OFS disclaims all liability for any loss or damage that You (or your Client, if applicable) may suffer as a result of that information being manipulated.

The information contained on OFS Online Services is not intended to be used as the basis for making any investment decision and must not be relied upon as investment advice. The information provided does not take into account the objectives, financial situation or needs of a particular investor and is not a sufficient basis on which to make an investment decision. Investors should seek financial, legal, tax or other advice from a qualified expert or financial adviser as necessary before making any investment decision.

#### Changing your details

If you want, or your Client wants, to change any details associated with your or your Client's holding of Products (for example, contact details) and those changes cannot be made through OFS Online Services, then they must be recorded on the appropriate hard copy form and sent by mail to OFS. You can obtain the required form by calling Customer Services.

#### Availability

OFS will use its reasonable endeavours to provide OFS Online Services in an uninterrupted manner. However, OFS reserves the right without notice to make any technical changes to OFS Online Services which it considers to be necessary or desirable, and will not be responsible in the event that any upgrade to OFS Online Services means that You are temporarily unable to access the website.

In addition, it is possible that OFS Online Services may be unavailable at any time without notice (for example, due to technological disruptions). OFS will not be liable in the event that OFS Online Services is not provided in a continuous and uninterrupted manner.

Where possible, OFS will seek to provide you with advance notice of any downtime that is to occur due to certain mechanical or software failures which may render OFS Online Services unavailable for a period of time. However, You acknowledge that they may not be able to do so.

#### Disclaimer

OFS has taken reasonable care in publishing the information available through OFS Online Services, but does not guarantee that the information is complete, accurate or current. In particular, OFS is not responsible for:

- the accuracy of the Product balance shown at the time of your enquiry - by way of example, there will be a time delay between You completing a transaction in respect of your, or your Client's, Products and the information being updated on the website;
- the accuracy of information provided by third parties; or
- the verification or updating of any information which has been provided by You - it is your sole responsibility to review the information supplied to ensure its accuracy and proper application.

To the maximum extent permitted by law, OFS as well as its related bodies corporate and their respective directors, officers and employees expressly disclaim and exclude all liability (including liability for negligence) and responsibility to any person (whether a reader of these Terms and Conditions or not) in respect of anything, and in respect of the consequences of anything, done or omitted to be done by any such person arising out of or in reliance (whether wholly or partly) on any use of the facilities made available through OFS Online Services, including liability for any loss or damage which You or anyone else might suffer as a result of any incorrect, inaccurate or incomplete provision or recording of any information.

Notwithstanding any other provision of these Terms and Conditions, under no circumstances will OFS or any of its related bodies corporate be liable to You, or your Client, or to any other

person for any Consequential Loss arising from any breach of a representation, any breach of implied term or any duty at common law or under any statute or express term of these Terms and Conditions.

#### Privacy - Collection and Disclosure Statement

Personal information is displayed on OFS Online Services, including your, or your Client's, address.

You have, or your Client has, previously been provided with a 'Collection and Disclosure Statement' by the Fund setting out among other things the basis on which personal information is collected by the Fund, the primary purposes for which that information will be used, the parties to whom the personal information may be disclosed and the manner in which You, or your Client, can gain access to the personal information held. Reference should be made to that 'Collection and Disclosure Statement' for full details.

#### Warranties, Confirmations and Undertakings

In accepting these Terms and Conditions You will be deemed to have given the following warranties, confirmations and undertakings.

1. When You use OFS Online Services to view your, or your Client's, Products in a Fund, You warrant that You are either the holder of those Products or that You have been duly authorised in writing by the holder of those Products to act on their behalf in using OFS Online Services.

2. When You use OFS Online Services in respect of a holding in a Fund that is in joint names, You warrant that You are:

- one of the named joint holders and that You have obtained the consent of all of the other joint holders to act on their behalf in respect of the holding in using OFS Online Services; or
- not one of the named joint holders, but You have been authorised by all of the joint holders to act on their behalf in respect of the holding in using OFS Online Services.

3. When You use OFS Online Services in respect of a holding in a Fund that is in the name of a company, You warrant that You have been duly authorised by the directors of that company to act on its behalf.

You agree to indemnify OFS against all liabilities (whether actual, contingent or prospective and whether liquidated or sounding only in damages), losses, damages, costs and expenses (including legal expenses on a full indemnity basis) of whatever description which it suffers or incurs by reason of a breach of any of the warranties set out above.

4. As a Representative, You confirm that you will maintain the confidentiality of personal information you are authorised to view on OFS Online Services.

5. You are solely responsible for the use You choose to make of the information available to You on OFS Online Services and any unauthorised use of that information undertaken by You or another person accessing OFS Online Services through your User ID and password, and You accept liability for all losses, damages, costs and other consequences resulting from your use of, or reliance on, information available to you on OFS Online Services.

6. You acknowledge that all intellectual property rights in OFS Online Services, including copyright, database rights and trademarks are the property of OFS, its related bodies corporate or third parties.

7. You have read and understood these Terms and Conditions and You agree to be bound by them.

#### Other Matters

##### Validity

In the event that any part of these Terms and Conditions is not legally enforceable, the remaining Terms and Conditions will not be affected and will remain valid and enforceable.

#### Governing Law

These Terms and Conditions will be governed by and construed in accordance with the law applicable in the State of Victoria, Australia. You agree that, in the event of a dispute, the courts of the State of Victoria, Australia will have jurisdiction.

#### Interpretation

Unless the context requires otherwise, in these Terms and Conditions:

- headings are for convenience only and do not affect

interpretation;

- the singular includes the plural and vice versa;
- other grammatical forms of defined words or expressions have corresponding meanings;
- a reference to a 'person' includes partnerships, bodies corporate, associations, governments and governmental and local authorities and agencies; and
- a reference to the word 'including' or 'includes' is to be construed without limitation to the preceding words.

## 13. Glossary

### Application Form

The Application Form used by investors who wish to subscribe for units directly in the Fund (other than indirectly through an IDPS Operator) and attached to this PDS.

### ASIC

Australian Securities and Investments Commission.

### Asset Class

A category of financial assets. The major asset classes are shares, property, fixed interest securities and cash.

### Benchmarks

The eight benchmarks developed by ASIC for unlisted mortgage schemes that are designed to improve disclosure and ASIC requires to be disclosed in this PDS.

### Business Day

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

### Buy/Sell Spread

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

### Constitution

The constitution of the Fund describes the rights, responsibilities and beneficial interests of both investors and the Responsible Entity in relation to the Fund.

### Corporations Act

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

### Derivative

A financial contract whose value is based on, or derived from, an Asset Class such as shares. Common derivatives include options, futures and forward exchange contracts.

### First Ranking

A real estate loan with the right to payment in full before payments to other lenders or security holders are made.

### GST

Goods and Services Tax.

### Hedge

An investment made in order to reduce the risk of adverse price movements in an investment.

### ICR

Indirect Cost Ratio. The ratio of the Fund's Management Costs (being costs that are not deducted directly from an investor's account, calculated in accordance with the Corporations Act) to the Fund's total average net assets.

### IDPS

Investor Directed Portfolio Service. An IDPS is generally the vehicle through which an investor purchases a range of underlying investment options from numerous investment managers, with the IDPS Operator providing the investor with consolidated and streamlined transaction statements and other reporting.

### IDPS Operator

An entity that operates and offers an IDPS.

### Indirect Investor

A person who invests indirectly in units in the Fund through an IDPS.

### Income Distribution

The amount that is paid to unit holders after the end of a distribution period.

### Index

The index of the Fund is the RBA Cash Rate.

### Loan-to-Value Ratio ("LVR")

The proportion of funds borrowed over the property valuation.

### Net Asset Value ("NAV")

The value of assets of the Fund, less the value of the liabilities of the Fund.

### RBA Cash Rate

The current official interest rate as set by the Reserve Bank of Australia ("RBA").

### Retail Client

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

### RITC

Reduced Input Tax Credit. Equity Trustees will apply for RITCs on behalf of the Fund, where applicable, to reduce the GST cost to the Fund.

### 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.

### Wholesale Client

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

# Equity Trustees Funds

## Application Form

- **If completing by hand, use a black or blue pen and print within the boxes in BLOCK LETTERS**
- **Use ticks in boxes where applicable**
- **The applicant must complete, print and sign this form**
- **Keep a photocopy of your completed Application Form for your records**
- **Please ensure all relevant sections are complete before submitting this form**

This application form is part of the Product Disclosure Statements ('PDS') issued by Equity Trustees Limited (ABN 46 004 031 298, AFSL 240975) relating to units in one of the following Funds:

- EQT Australian Equity Income Fund (Common Fund No. 12)
- EQT Core International Equity Fund
- EQT Diversified Fixed Income Fund (Common Fund No. 14)
- EQT Diversified Fixed Income (Institutional Class)
- EQT Flagship Fund (Common Fund No. 2)
- EQT Growth Fund
- EQT Wholesale Flagship Fund
- EQT Mortgage Income Fund
- EQT Wholesale Mortgage Income Fund

Each PDS contains information about investing in the Fund. You should read the PDS before applying for units in the Fund.

- A person who gives another person access to the Application Form must at the same time and by the same means give the other person access to the PDS.
- Equity Trustees will provide you with a copy of the PDS and the Application Form on request without charge (*If you make an error while completing your application form, do not use correction fluid. Cross out your mistakes and initial your changes.*)

### US Persons:

**This offer is not open to any US Person. Please refer to the Product Disclosure Statement and Reference Guide for further information.**

## Section 1 – Introduction

**Are you an existing investor and the information provided for that investment remains current and correct?**

**YES** – my details are:

<b>Account Number</b>	
<b>Account Name</b>	
<b>Contact Telephone Number (Including Country Code)</b>	

- Not appointing a power of attorney, agent or financial adviser Complete sections 8, 9, 10
- Appointing a power of attorney, agent or financial adviser Complete sections 6 and/or 7, 8, 9, 10

\* Please note there will be instances where we may be required to collect additional information about you and may ask you to provide certified copies of certain identification documents along with the Application Form.

**NO** – Only complete the sections relevant to you, as indicated below:

Select One	Investor Type	Sections to Complete	Identification Requirement Groups to Complete
<input type="checkbox"/>	Individual(s)	1, 2, 7, 8, 9, 10	Group A.
<input type="checkbox"/>	Partnership	1, 3, 7, 8, 9, 10	Group A and B.
<input type="checkbox"/>	Trust 1. Individual trustee(s) or 2. Corporate trustee(s).	1, 2, 4, 5, 7, 8, 9, 10	1. Group A and C 2. Group A, C and D.
<input type="checkbox"/>	Company	1, 5, 7, 8, 9, 10	Group A and D

**If you are appointing an agent or authorised representative or a financial advisor also complete the relevant section as indicated below:**

<input type="checkbox"/>	Agents; Authorised Representatives; Financial Advisor	6 or 7	Group A or D
--------------------------	---	--------	--------------

**If you are an Association, Co-operative, Government Body or other type of entity not listed above, please contact the Fund.**



**Contacting the Fund**

<b>Investor Services:</b>	<b>Equity Trustees Registry Team</b> GPO Box 804 MELBOURNE VIC 3000 Ph: 1300 011 130
---------------------------	---

**AML/CTF Identity Verification Requirements**

The AML/CTF Act requires the Responsible Entity to adopt and maintain an anti-money laundering and counter-terrorism financing ('AML/CTF') program. The AML/CTF program includes ongoing customer due diligence, which may require the Responsible Entity to collect further information.

- Identification documentation provided must be in the name of the Applicant.
- Non-English language documents must be translated by an accredited translator.
- Applications made without providing this information cannot be processed until all the necessary information has been provided.
- If you are unable to provide the identification documents described please contact the Fund

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

<b>GROUP A – Individuals</b>	
<p><b>Each</b> individual investor, individual trustee, partner, beneficial owner, or individual agent or authorised representative must provide one of the following primary photographic ID:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> A current Australian driver's licence (or foreign equivalent) that includes a photo and signature.</li> <li><input type="checkbox"/> An Australian passport (or foreign equivalent) (not expired more than 2 years previously).</li> <li><input type="checkbox"/> An identity card issued by a State or Territory Government that includes a photo.</li> </ul> <p>If you do NOT own one of the above ID documents, please provide one valid option from Column A and one valid option from Column B</p>	
<p><b>Column A</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Australian birth certificate</li> <li><input type="checkbox"/> Australian citizenship certificate</li> <li><input type="checkbox"/> Pension card issued by Department of Human Services</li> </ul>	<p><b>Column B</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> A document issued by the Commonwealth or a State or Territory within the preceding 12 months that records the provision of financial benefits to the individual and which contains the individual's name and residential address.</li> <li><input type="checkbox"/> A document issued by the Australian Taxation Office within the preceding 12 months that records a debt payable by the individual to the Commonwealth (or by the Commonwealth to the individual), which contains the individual's name and residential address. Block out the TFN before scanning, copying or storing this document.</li> <li><input type="checkbox"/> A document issued by a local government body or utilities provider within the preceding 3 months which records the provision of services to that address or to that person (the document must contain the individual's name and residential address).</li> <li><input type="checkbox"/> If under the age of 18, a notice that: was issued to the individual by a school principal within the preceding 3 months; and contains the name and residential address; and records the period of time that the individual attended that school</li> </ul>
<b>GROUP B – Partnerships</b>	
<p>Provide one of the following: A certified copy of the partnership agreement or equivalent, showing the full name of the partnership, name and residential address of each partner. <b>In addition, please provide verification documents for one partner(s) and beneficial owner(s) of the Partnership as listed under Group A for individuals.</b></p> <p>The beneficial owners of a partnership include partners with a 25% partnership share or more; partners (if any) who control the partnership; any managing partner. If in doubt, founding partners should be considered beneficial owners.</p>	

### GROUP C – Trusts

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

- A copy of the company search of the relevant regulator's website e.g. APRA, ASIC, or ATO.
- A copy or relevant extract of the legislation establishing the government superannuation fund sourced from a government website.
- A copy from the ACNC of information registered about the trust as a charity
- Annual report or audited financial statements.
- A certified copy of a notice issued by the ATO within the previous 12 months.
- A certified copy of the Trust Deed

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

- A certified copy of the Trust Deed.  
**If the trustee is an individual**, please also provide verification documents for one trustee as listed under **Group A**.  
**If the trustee is a company**, please also provide verification documents for a company as listed under **Group D**.

### GROUP D – Companies

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

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

For Foreign Companies, provide **one** of the following:

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

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

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

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

### GROUP E – Agents and Authorised Representatives

In addition to the above entity groups:

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

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



## Additional Information

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

## Declarations

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

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

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

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

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

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

## Section 2 – Individual(s) or Individual Trustee(s)

Complete this section if you are investing in your own name or as an individual trustee.

For AML documentary requirements please refer to page 2.

### 2.1 Type of investor

Tick one box only and complete the specified parts of this section.

<input type="checkbox"/> Individual – complete 2.2	<input type="checkbox"/> Sole Trader – complete 2.2 and 2.4
<input type="checkbox"/> Jointly with another individual(s) – complete 2.2, 2.3 and 2.5	<input type="checkbox"/> Individual trustee for an individual – complete 2.2, 2.3 and 2.5 (if there is more than one individual trustee)
<input type="checkbox"/> Individual trustee for a trust – complete 2.2 and 2.3 (also complete section 4)	

### 2.2 Investor 1

Title	Given Name(s)	Surname
<input type="text"/>		
Telephone Number (Including Country Code)	Email	
<input type="text"/>		
Date of Birth (DDMMYY)	Tax File Number (TFN) – or exemption code	
<input type="text"/>	<input type="text"/>	
Reason for TFN Exemption		
<input type="text"/>		

### Residential Address (not a PO Box)

Unit Number	Street Number	Street Name
<input type="text"/>		
Suburb	State	Post Code
<input type="text"/>	<input type="text"/>	<input type="text"/>
Country of Birth		
<input type="text"/>		
What is your occupation?		
<input type="text"/>		
Do you hold a prominent public position or function in a government body (local, state, territory, national or foreign) or in an international organisation or are you an immediate family member or a business associate of such a person?		
<input type="checkbox"/> No		
<input type="checkbox"/> Yes, please give details		
<input type="text"/>		
Are you a foreign resident for tax purposes?		
<input type="checkbox"/> No		
<input type="checkbox"/> Yes, please advise country of residence		
<input type="text"/>		
Do you hold dual citizenship?		
<input type="checkbox"/> No		
<input type="checkbox"/> Yes, please advise which countries		
<input type="text"/>		

### 2.3 Investor 2

Title	Given Name(s)	Surname
<input type="text"/>		
Telephone Number (Including Country Code)	Email	
<input type="text"/>		
Date of Birth (DDMMYY)	Tax File Number (TFN) – or exemption code	
<input type="text"/>	<input type="text"/>	
Reason for TFN Exemption		
<input type="text"/>		
Residential Address (not a PO Box)		
Unit Number	Street Number	Street Name
<input type="text"/>		
Suburb	State	Post Code
<input type="text"/>	<input type="text"/>	<input type="text"/>
Country of Birth		
<input type="text"/>		

What is your occupation?

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

- No
- Yes, please give details

Are you a foreign resident for tax purposes?

- No
- Yes, please advise country of residence

Do you hold dual citizenship?

- No
- Yes, please advise which countries

### 2.4 Sole Trader Details

Business Name (if applicable, in full)

Australian Business Number (ABN) (if obtained)\*

Street Address

Suburb

State

Postcode

Country

### 2.5 Signing Authority

Please tick to indicate signing requirements for future instructions (e.g. withdrawals, change of account details, etc.)

- Only one investor required to sign
- All investors must sign

\* See page 4 of the Application Form for terms and conditions relating to the collection of TFNs and ABNs

## Section 3 – Partnerships

Complete this section if you are investing for a partnership or as a partner.

**For AML documentary requirements please refer to page 2.**

### 3.1 General Information

Full Name of Partnership

Registered Business Names of Partnership (if any)

Country where Partnership is established

Tax File Number (TFN) – or exemption code

Reason for TFN Exemption

### 3.2 Type of Partnership

Is the partnership regulated by a professional association?

- Yes, please provide details (need only give information below for partners with a 25% or greater interest or, if there are no such partners, for just one partner)

Name of Professional Association

Membership Details

- No, provide number of partners

#### Partner 1

Title

Given Name (s)

Surname

Telephone Number (including Country Code) (daytime)

Date of Birth (DDMMYY)

Unit Street Number Street Name (residential address)

Suburb

State

Postcode

Country

Country of Birth

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

- No
- Yes, please give details

### Partner 2

Title Given Name (s)

Surname

Telephone Number (including Country Code) (daytime)

Date of Birth (DDMMYY)

Unit Street Number Street Name (residential address)

Suburb

State

Postcode

Country

Country of Birth

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

- No
- Yes, please give details

## Section 4 – Trust / Superannuation Fund

Complete this section if you are investing for a trust or superannuation fund.

**For AML documentary requirements please refer to page 2.**

### 4.1 General Information

Full Name of Trust or Superannuation Fund

Full Name of Business (if any)

Country where Trust established

Tax File Number (TFN) – or exemption code

Reason for TFN Exemption

### 4.2 Trustee Details

How many trustees are there?

- Individual** - trustee(s) must complete Section 2 of this form
- Company** - trustee(s) must complete Section 5 of this form
- Combination** - trustee(s) from each investor type must complete the relevant section of this form

### 4.3 Type of Trust

- Registered Managed Investment Scheme**

Australian Registered Scheme Number (ARSN)

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

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

Registration/Licence Details

Australian Business Number (ABN)\*

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

**Other Trust (Unregulated)** (also complete section 4.4)

Please Describe


**4.4 Beneficiaries of an Unregulated Trust**

Complete Section 4.4 and 4.5 only if you ticked 'Other Trust' in 4.3

**Does the Trust Deed name beneficiaries?**

**Yes**, how many?

--

Provide the full name of each beneficiary who directly or indirectly is entitled to an interest of 25% or more in the trust

1	2
3	4

**No**, describe the class of beneficiary: (e.g. the name of the family group, class of unit holders, the charitable purpose of charity name)


\* See page 4 of the Application Form for terms and conditions relating to the collection of TFNs and ABNs.

**4.5 Beneficial Owners and other persons of interest in an Unregulated Trust**

Please provide the **full name** of any beneficial owner of the trust.

A beneficial owner is any individual who directly or indirectly has a **25% or greater interest** in the trust or a person who exerts **control over the trust**. This includes the **appointer** of the trust (who holds the power to appoint or remove the trustees of the trust. All beneficial owner(s) who meet the above definition will need to provide information and AML verification documents set out in Group A, F, G or H. Please provide beneficial owners as an attachment if there is insufficient space below:

1	2
3	4

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

No

Yes, please give details

--

Please provide the **full name** of the **settlor** of the trust where the initial asset contribution to the trust was greater than \$10,000 and the settlor is not deceased.

--

**Section 5 – Company / Corporate Trustee**

Complete this section if you are investing for a company or where a company is acting as a trustee.

**For AML documentary requirements please refer to page 2.**

**5.1 Company Type**

**Australian Listed Public Company – complete 5.2**

**Australian Proprietary Company or non-listed public company – complete 5.2 and 5.4**

**Foreign Company – complete all sections**

**5.2 Company Details**

Company Name

ACN/ABN (if registered in Australia)

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

Tax File Number (TFN) – or exemption code

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

Reason for TFN Exemption

--

Given Name(s) of Contact Person

Telephone Number (Including Country Code)      Email

Registered Office Street Address (Not PO Box)

Suburb

State

Post Code

Country

**Principal place of business in Australia**

**Note for non-Australian companies registered with ASIC:** you must provide a local agent name and address if you do not have a principal place of business in Australia.

Tick if the same as above, otherwise provide:

Registered Street Address (Not PO Box)

Suburb

State

Post Code

**5.3 Additional Details for non-Australian Company**

Tick if the company is registered with ASIC

Australian Registered Body Number (ARBN)

Tick if the company is registered with a foreign regulatory body

Name of Foreign Regulatory Body

Company Identification Number Issued (if any)

Country of formation, incorporation or registration

Company type (eg private company)

Registered Company Address (Not PO Box)

Suburb

State

Post Code

Country

**5.4 Beneficial owners**

**a. Senior Managing Official and controlling person: All proprietary or non-listed public domestic companies and foreign companies** must provide the full name of each senior managing official and controlling person of the company (such as the managing director or a senior executive who exerts control over the company i.e. authorised to sign on the company's behalf, make policy, operational and financial decisions):

1	2
3	4

*If there are more than 4 directors please provide as an attachment.*

**b. Shareholders and other beneficial owners: All proprietary or non-listed public domestic companies and foreign companies** must provide the full name of each shareholder and those who owns directly, indirectly, jointly or beneficially 25% or more of the company's issued capital.

1	2
3	4

*If there are more than 4 shareholders please provide as an attachment.*

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

No

Yes, please give details

\* See page 4 of the Application Form for terms and conditions relating to the collection of TFNs and ABNs.

## Section 6 – Authorised representative or agent

Complete this section if you are completing this Application Form as an agent under a direct authority such as a Power of Attorney. You must also complete the section relevant to the investor/applicant that you are acting on behalf of.

**For AML documentary requirements please refer to page 2.**

### 6.1 Appointment of Power of Attorney or other Authorised Representative

- I am an agent under Power of Attorney or the investor's legal or nominated representative - complete 6.2

Full name of authorised representative / agent

Title of role held with applicant

Signature

### 6.2 Documentation

You must attach a valid authority such as a Power of Attorney, guardianship order, grant of probate, appointment of bankruptcy trustee etc:

- The document is an original or certified copy
- The document is signed by the applicant / investor or a court official
- The document is current and complete
- The document permits the attorney / agent / representative (you) to transact on behalf of the applicant / investor

## Section 7 – Financial adviser

By completing this section you nominate the named adviser as your financial adviser for the purposes of your investment in the Fund. You also consent to give your financial adviser / authorised representative / agent access to your account information unless you indicate otherwise by ticking the box below.

**For AML documentary requirements please refer to page 2.**

### 7.1 Financial adviser

I am a financial adviser completing this application form as an authorised representative or agent.

Name of Adviser

AFSL Number

Dealer Group

Name of Advisory Firm

Postal Address

Suburb

State

Post Code

Country

Email Address of Advisory Firm (required)

Email Address of Adviser

Business Telephone

Facsimile

### 7.2 Financial Adviser Declaration

- I/We hereby declare that I/we are not a US Person as defined in the PDS.
- I/We hereby declare that the investor is not a US Person as defined in the PDS.
- I/We have completed an appropriate Customer Identification Procedure (CIP) on this investor which meets the requirements (per type of investor) set out above, **AND EITHER**
  - I/We have attached the relevant CIP documents; **OR**
  - I/We have not attached the CIP documents however I/We confirm that I have completed the AML/KYC checks on the applicant(s) in accordance to the AUSTRAC's requirements. I/We also agree to provide Equity Trustees the relevant CIP documents on request.

Financial Adviser Signature

Date

### 7.3 Access to Information

Unless you elect otherwise, your financial adviser **will** be provided access to your account information or receive copies of statements and transaction confirmations.

- Please tick this box if you **DO NOT** want your financial adviser to have access to information about your investment.
- Please tick this box if you **DO NOT** want copies of statements and transaction confirmations sent to your adviser.

## Section 8 – INVESTMENT INSTRUCTIONS (All investors MUST complete)

### 8.1 Investment Details

**Full name investment to be held in (must include name of Applicant)**

Mailing Address

Suburb

State

Post Code

Country

--	--	--	--	--

Email Address

Phone

--	--

Name of Fund	APIR Code	Investment Amount (AUD)	Distribution (indicated preference with an X) (See 8.2)		
			<i>Reinvest</i>	<i>Cash</i>	<i>Split</i>
EQT Australian Equity Income Fund	ETL0399AU	\$			
EQT Core International Equity Fund	ETL0107AU	\$			
EQT Diversified Fixed Income Fund	ETL0420AU	\$			
EQT Diversified Fixed Income Fund – Institutional Class	ETL0421AU	\$			
EQT Flagship Fund	ETL0068AU	\$			
EQT Growth Fund	ETL0103AU	\$			
EQT Wholesale Flagship Fund	ETL0079AU	\$			
EQT Mortgage Income Fund	ETL0100AU	\$			N/A
EQT Wholesale Mortgage Income Fund	ETL0122AU	\$			N/A

### 8.2 Distribution Instructions

We will automatically reinvest your distribution in units of your chosen fund if you do not make a selection between “Reinvest” and “Cash”. If you select to “Cash” for your distributions, please provide your bank details in section 8.3.

**Reinvest distributions**

If you select this option your distributions will be reinvested in the Fund.

**Pay distributions to the bank account below**

AUD-denominated bank account with an Australian domiciled bank

**Split distribution payments between reinvest and cash**

If you select this option the distribution will be split to pay the cash component to you AUD-denominated bank account and reinvest the realised capital gains component

### 8.3 Investor Banking Details for Redemptions and Distributions (if applicable) (must match Applicant name)

Account name

Financial Institution

Branch (including Country)

BSB

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

Account Number

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



### 8.4 Payment Method

- Direct Debit**  
Please complete 8.4.1
- Direct Credit**  
Please complete 8.4.2
- BPAY® - Only available for additional investments (not available for initial investments)**  
Please complete 8.4.3

#### 8.4.1 Direct Debit Request Authorisation

Request and Authority to debit the account named below to pay Equity Trustees

Surname/Company

Given Name

Or ABN

Request and authorise OneVue Fund Services Pty Ltd (Direct Debit User ID 411595) to arrange, through its own financial institution, a debit to your nominated account any amount Equity Trustees has deemed payable by you.

This debit or charge will be made through the Bulk Electronic Clearing System ("BECS") from your account held at the financial institution you have nominated below and will be subject to the "Direct Debit terms and conditions" (contained in the Equity Trustees Reference Guide).

- Same account as 8.3**  
OR
- Please complete the details below**

Account name

Financial Institution

Branch (including Country)

BSB

Account Number

#### Acknowledgement

By signing and/or providing us with a valid instruction in respect to your Direct Debit Request, you have understood and agreed to the terms and conditions governing the debit arrangements between you and Equity trustee as set out in this Request and in the Direct Debit Request – terms and conditions (contained in the Equity Trustees Reference Guide).

Signature

*If signing for a company please print full name and capacity for signing (e.g. director)*

Date

Address

#### 8.4.2 Direct Credit

<b>Bank Name &amp; Address (including country)</b>	National Australia Bank (NAB)
<b>Account Name</b>	Equity Trustees Limited – Application A/C
<b>BSB Number</b>	083 001
<b>Account Number</b>	52 177 0801
<b>Reference</b>	<Investor name>

**Please Note:** For EFT payments, funds must be transferred from a bank account in the name of the registered unitholder(s). No third party payments will be permitted.

### 8.4.3 BPAY®

#### Paying your additional investment via BPAY®

#### Only available for additional investments (not available for initial investments)

Fund	BPAY® Details
Refer to table below	 Biller Code (Refer to table below) Reference number (Investor Number)

BPAY®	Biller Code:
EQT Australian Equity Income Fund	222505
EQT Core International Equity Fund	222521
EQT Diversified Fixed Income Fund	222547
EQT Diversified Fixed Income Fund – Institutional Class	222539
EQT Flagship Fund	222554
EQT Growth Fund	222570
EQT Wholesale Flagship Fund	222588
EQT Mortgage Income Fund	222596
EQT Wholesale Mortgage Income Fund	222604

**Please note:** if you are investing in more than one Fund, you will need to make separate payments for each Fund.

#### Telephone & Internet Banking - BPAY®

Contact your bank or financial institution to make this payment from your cheque, savings, debit, credit card or transaction account. More info: [www.bpay.com.au](http://www.bpay.com.au)

### 8.5 Elections

#### Annual Financial Report

- The annual financial report for the Fund will be available on [www.eqt.com.au](http://www.eqt.com.au) from 30 September each year, however, if you would like a hard copy of the annual financial report sent to you please tick the box.

#### Direct Marketing

Do you wish to receive marketing information from Equity Trustees (and Equity Trustees' related bodies corporate) about products and services that may be of interest to you? This information may be distributed by mail, email or other form of communication.

- Yes  
 No

### 8.6 Purpose of Investment and Source of Funds

Please outline the purpose of investment (e.g. superannuation, portfolio investment, etc)

Please outline the source/s of initial funding and anticipated ongoing funding (e.g. salary, savings, business activity, financial investments, real estate, inheritance, gift, etc and expected level of funding activity or transactions)

### 8.7 Communication - Online Access

Online account access enables you to view details of your investments (account balance, investment details and account statements). We will send you the necessary registration details by post once your application is processed.

## Section 9 – Foreign Account Tax Compliance Act (FATCA) & Common Reporting Standard (CRS) Self-Certification Form - Australia (All investors MUST complete)

### SECTION I - INDIVIDUALS

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

**1. Are you a US citizen or resident of the US for tax purposes?**

- Yes: Provide your Taxpayer Identification Number (TIN) below. Continue to question 2

Investor 1	TIN	
Investor 2	TIN	

- No: Continue to question 2

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

- Yes: Provide the details below and skip to question 12. If resident in more than one jurisdiction please include details for all jurisdictions

		Country of Tax Residence	Tax Identification Number (TIN) or equivalent	Reason Code if no TIN provided
Investor 1	1			
	2			
	3			
Investor 2	1			
	2			
	3			

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

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

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

Investor 1	
Investor 2	

- No: Skip to question 12

### SECTION II – ENTITIES

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

**3. Are you an Australian Retirement Fund?**

- Yes: Skip to question 12
- No: Continue to question 4

**A. FATCA**

**4. Are you a US Person?**

- Yes: Continue to question 5
- No: Skip to question 6

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

- Yes: Provide your Taxpayer Identification Number (TIN) below and skip to question 7

TIN	
-----	--

- No: Please indicate exemption type and skip to question 7

Type: \_\_\_\_\_

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

- Yes: Provide your GIIN below and continue to question 7

GIIN	
------	--

If you do not have a GIIN, please provide your FATCA status below and continue to question 7

- Exempt Beneficial Owner  
Type: \_\_\_\_\_
- Deemed-Compliant FFI (other than a Sponsored FI or a Trustee Documented Trust)  
Type: \_\_\_\_\_
- Non-Participating FFI  
Type: \_\_\_\_\_
- Sponsored Financial Institution. Please provide the Sponsoring Entity's name and GIIN.  
Sponsoring Entity's Name: \_\_\_\_\_ Sponsoring Entity's GIIN: \_\_\_\_\_
- Trustee Documented Trust. Please provide your Trustee's name and GIIN.  
Trustee's Name: \_\_\_\_\_ Trustee's GIIN: \_\_\_\_\_
- Other  
Details: \_\_\_\_\_

No: continue to question 7

**B. CRS**

**7. Are you a tax resident of any country outside of Australia?**

- Yes: Provide the details below and continue to question 8. If resident in more than one jurisdiction please include details for all jurisdictions

	Country of Tax Residence	Tax Identification Number (TIN) or equivalent	Reason Code if no TIN provided
1			
2			
3			

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

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

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

No: Continue to question 8

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

- Yes: Specify the type of Financial Institution below and continue to question 9
  - Reporting Financial Institution
  - Non-Reporting Financial Institution: Specify the type of Non-Reporting Financial Institution below
    - Trustee Documented Trust
    - Other: Please Specify \_\_\_\_\_

No: Skip to question 10

**9. Are you an Investment Entity resident in a Non-Participating Jurisdiction for CRS purposes and managed by another Financial Institution?**

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

**C. NON-FINANCIAL ENTITIES**

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

- Yes: Specify the type of Active NFE below and skip to question 12
  - Less than 50% of the Active NFE's gross income from the preceding calendar year is passive income (e.g. dividends, distribution, interests, royalties and rental income) and less than 50% of its assets during the preceding calendar year are assets held for the production of passive income
  - Corporation that is regularly traded or a related entity of a regularly traded corporation

- Governmental Entity, International Organisation or Central Bank
- Other: Please Specify \_\_\_\_\_

No: You are a Passive Non-Financial Entity (Passive NFE). Continue to question 11

**D. CONTROLLING PERSONS**

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

- Is any natural person that exercises control over you (for corporations, this would include directors or beneficial owners who ultimately own 25% or more of the share capital) a tax resident of any country outside of Australia?
  - If you are a trust, is any natural person including trustee, protector, beneficiary, settlor or any other natural person exercising ultimate effective control over the trust a tax resident of any country outside of Australia?
- Yes: Complete details below and continue to question 12

	Name	Date of Birth	Residential Address	Country of Tax Residence	TIN or equivalent	Reason Code if no TIN provided
1						
2						
3						

If there are more than 3 controlling persons, please list them on a separate piece of paper.

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

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

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

No: Continue to question 12

**E. DECLARATION**

**12. Signature**

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

**Investor 1**

Signature

Date

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

Name of authorised representative

Name of entity/individual

**Investor 2**

Signature

Date

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

Name of authorised representative

Name of entity/individual

## Section 10 – DECLARATIONS (All Investors MUST complete)

By signing as or on behalf of the Applicant, you make all the declarations set out above, in all sections.

### Applicant 1

Applicant Given Name(s)

Capacity

- Individual Signatory
- Director
- Executive Office
- Partner
- Sole Director / Secretary
- Authorised Signatory

Signature

Date

Company Seal (if applicable)

### Applicant 2

Applicant Given Name(s)

Capacity

- Individual Signatory
- Director
- Executive Office
- Partner
- Sole Director / Secretary
- Authorised Signatory

Signature

Date

Company Seal (if applicable)

### Application Checklist

- Have you completed all sections relevant to you (as set out in the introduction)?
- Have you nominated your financial adviser in section 7 (if applicable)?
- Have you provided certified copies of your identification documents or has your financial adviser completed this for you?
- Have you completed all other relevant details and SIGNED the Application Form?

If you can tick all of the boxes above, send the following:

- Completed Application Form;
- Certified copies of identification documents;

by post to:

**Equity Trustees Registry Team**  
**GPO Box 804**  
**MELBOURNE VIC 3000**

For additional applications the duly completed Application Form may be mailed to the postal address above or faxed to +61 3 9977 5871.