

20 January 2025

First Sentier Australian Small Companies Long Short Opportunities Fund (ARSN: 658 022 238, APIR: PIM2344AU) (the “Fund”)

**PDS Update and Investor Notification – Registry change of name**

Dear Unitholders,

The Trust Company (RE Services) Ltd, ABN 45 003 278 831 AFSL 235150 (“we” or “Responsible Entity”) is the responsible entity of the Fund and First Sentier Investors (Australia) IM Ltd ABN 89 114 194 311 AFSL 289017 is the investment manager of the Fund.

This notice has been issued to update information in the Fund’s Product Disclosure Statement (“PDS”) dated 15 November 2024 to inform you that effective 20 January 2025:

- Link Fund Solutions Pty Limited ABN 44 114 914 215 has rebranded and changed its name to MUFG Corporate Markets FS Pty Ltd ABN 44 114 914 215. Note, the ABN remains unchanged. As a result, the following changes will be made to the PDS where applicable:
  - ‘Link Fund Solutions Pty Limited’ will be replaced with ‘MUFG Corporate Markets FS Pty Ltd’
  - ‘Link’ will be replaced with ‘MUFG Corporate Markets’
  - The Investor Services’ general enquiries email address will change to the following.

Replace:	With:
General enquiries: <a href="mailto:firstsentier@linkmarketservices.com.au">firstsentier@linkmarketservices.com.au</a>	General enquiries: <a href="mailto:firstsentier@cm.mpms.mufg.com">firstsentier@cm.mpms.mufg.com</a>

This notice should be read in conjunction with the Fund’s PDS, any notices updating the PDS, and any information incorporated by reference. A copy of this notice, the PDS and other information is available online at [www.firstsentierinvestors.com.au](http://www.firstsentierinvestors.com.au). It is important that you read and understand the information in this notice.

If you have any questions regarding the above changes, please contact Investor Services on 1300 553 490.

Sincerely,

The Trust Company (RE Services) Limited

# Product Disclosure Statement

First Sentier Australian Small Companies Long Short Opportunities Fund

**APIR:** PIM2344AU

**ARSN:** 658 022 238

**Issue Date:** 15 November 2024

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

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## IMPORTANT INFORMATION

This Product Disclosure Statement (**PDS**) is a summary of the significant information relating to the First Sentier Australian Small Companies Long Short Opportunities Fund (APIR:PIM2344AU, ARSN: 658 022 238) (**Fund**). You should consider all of this information for the Fund before making an investment decision to invest in the Fund.

This PDS is issued by The Trust Company (RE Services) Limited ABN 45 003 278 831, AFSL 235150 (**Responsible Entity**) as responsible entity of the Fund. First Sentier Investors (Australia) IM Ltd ABN 89 114 194 311, AFSL 289017 has been appointed by the Responsible Entity as the investment manager of the Fund (**Investment Manager**) and is a member of First Sentier Investors group (**First Sentier Investors**).

The PDS and Target Market Determination (**TMD**) are available from First Sentier Investors' website at [www.firstsentierinvestors.com.au](http://www.firstsentierinvestors.com.au) or you can request a paper copy free of charge by contacting the Responsible Entity or First Sentier Investors. The information provided in this PDS is general information and does not take into account your personal financial situation or needs. We recommend that you seek financial advice tailored to your personal circumstances before making an investment decision to help you consider the appropriateness of the information in this PDS having regard to your objectives, financial situation and needs, as well as to assist with determining whether you form part of the target market of the Fund.

This PDS is authorised as disclosure for both investors investing directly in the Fund and indirect investors who wish to access the Fund through an investor directed portfolio service (**IDPS**), IDPS-like scheme, a nominee or custody service or any other trading platform authorised by the Responsible Entity (collectively, **Service**). If you are an indirect investor gaining access to the Fund through a Service, the operator of the relevant Service (**Service Operator**) will invest for you and have the rights of an investor in the Fund. Certain provisions of the Fund's constitution are not relevant to indirect investors. For example, indirect investors cannot attend investor meetings or transfer units in the Fund. You can request reports on your

## CONTACT DETAILS

### The Trust Company (RE Services) Limited - Responsible Entity ABN 45 003 278 831 AFSL 235150

Level 18, Angel Place, 123 Pitt Street  
Sydney NSW 2000  
Telephone: 02 9229 9000

### First Sentier Investors (Australia) IM Ltd - Investment Manager ABN 89 114 194 311 AFSL 289017

Level 5, Tower 3 International Towers  
300 Barangaroo Avenue  
Barangaroo NSW 2000  
Telephone: 02 9010 5200  
Website: [www.firstsentierinvestors.com.au](http://www.firstsentierinvestors.com.au)

### Investor Services

Telephone: 1300 553 490  
General enquiries: [firstsentier@linkmarketservices.com.au](mailto:firstsentier@linkmarketservices.com.au)  
Transaction instructions: [fsiaclientservices@firstsentier.com](mailto:fsiaclientservices@firstsentier.com)

investments in the Fund from the Service Operator and you should direct any inquiries to them.

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

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

## UP TO DATE INFORMATION

The information in this PDS is up to date as at the Issue Date. However, some information may change from time to time. Information that is not materially adverse to investors may be updated via the First Sentier Investors website without notice. You can obtain a copy of any updated information free of charge from the First Sentier Investors website, by contacting First Sentier Investors and requesting a paper copy, or by contacting your Service Operator. If a change is considered materially adverse, the Responsible Entity will provide notice and issue a replacement or supplementary PDS (which will also be available via the First Sentier Investors website) where required by law.

## 1. The Fund at a glance

<b>First Sentier Australian Small Companies Long Short Opportunities Fund</b>	
APIR	PIM2344AU
ARSN	658 022 238
Responsible Entity	The Trust Company (RE Services) Limited
Investment Manager	First Sentier Investors (Australia) IM Ltd
<b>Key Fund features<sup>1</sup></b>	
Investment objective <sup>2</sup>	To outperform the S&P/ASX Small Ordinaries Accumulation Index (before fees and taxes) over rolling five-year periods
Benchmark	S&P/ASX Small Ordinaries Accumulation Index
<b>Fees and costs<sup>3</sup></b>	
Management fees and costs	1.10% p.a. of the Net Asset Value ( <b>NAV</b> ) of the Fund and, comprised of: <ul style="list-style-type: none"> <li>– Management fee: 1.10% p.a.<sup>4,5</sup> of the NAV of the Fund;</li> <li>– Recoverable expenses: 0.00% p.a.<sup>6</sup> of the NAV of the Fund; and</li> <li>– Indirect costs: 0.00% p.a. of the NAV of the Fund</li> </ul>
Performance fees	Estimated to be 0.79% p.a. <sup>7</sup> of the NAV of the Fund (if payable)
Transaction costs	Estimated to be 0.00% p.a. of the NAV of the Fund
Buy/sell spread	+0.30% / -0.30%
<b>Minimum investment</b>	
Minimum initial investment	\$20,000
Minimum additional investment	No minimum
<b>Transaction cut-off time</b>	
Transaction cut-off time	2pm on any Business Day
<b>Distributions</b>	
Frequency	Half-yearly
Payment method	Automatically reinvested into additional units in the Fund; unless you requested for it to be paid into your nominated bank account.

1. Please refer to the 'Investment guidelines' in section 5 'About the First Sentier Australian Small Companies Long Short Opportunities Fund' for more Fund features.

2. The investment objective is not intended to be a forecast. It is merely an indication of what the Fund aims to achieve over the longer term on the assumption that equity markets remain relatively stable throughout the investment term. The Fund may not be successful in meeting this objective. Returns are not guaranteed.

3. Unless otherwise stated, all estimates of fees and costs in this section are based on information available as at the Issue Date. Please refer to section 8 'Fees and other costs' for more information.

4. Management fees are calculated and accrued daily, reflected in the daily unit price and payable monthly in arrears.

5. The Responsible Entity may negotiate rebates or waive all or part of its fees for certain wholesale clients in accordance with the Corporations Act. Please refer to section 8 'Fees and other costs' for more information.

6. The Responsible Entity may decide to pay abnormal expenses incurred in managing the Fund out of the Fund in addition to payment of the management fees.

7. This represents the average performance fees paid by the Fund over the previous two financial years ending 30 June 2024 and is not a forecast of any future performance fees. Past performance is not a reliable indicator of the Fund's future performance. The actual performance fee payable will be based on the Fund's actual performance over the relevant period. Please refer to section 8 'Fees and other costs' for more information.

## 2. ASIC benchmarks and disclosure principles

The Australian Securities and Investments Commissions (ASIC) requires responsible entities of funds that qualify as 'hedge funds' for the purposes of ASIC Regulatory Guide 240: Hedge Funds: Improving Disclosure (RG 240) to disclose information against the ASIC benchmarks and disclosure principles set out in RG 240. The Fund is a 'hedge fund' for the purposes of RG 240 and the following benchmarks and disclosure principles are intended to assist you in making an informed decision about investing in the Fund.

ASIC benchmarks	Summary
<b>Benchmark 1: Valuation of assets</b>	
ASIC benchmark 1 requires the Responsible Entity to implement a policy that requires valuations of the Fund's assets that are not exchange traded to be provided by an independent administrator or an independent valuation service provider.	<p>This ASIC benchmark does not apply to the Fund.</p> <p>The Fund's assets will only comprise exchange traded assets and cash. The Fund does not hold non-exchange traded assets.</p> <p>The Fund values the exchange traded assets at their market value which are the prices published on the relevant market exchanges on which the assets are bought and sold.</p>
<b>Benchmark 2: Periodic reporting</b>	
ASIC benchmark 2 requires the Responsible Entity of the Fund to implement a policy to provide periodic reports on certain key information.	<p>The Fund meets this ASIC benchmark.</p> <p>The following Fund information is available in a monthly factsheet at <a href="http://www.firstsentierinvestors.com.au">www.firstsentierinvestors.com.au</a>:</p> <ol style="list-style-type: none"><li>1. current total NAV of the Fund;</li><li>2. net returns on the Fund's assets after fees, costs and taxes;</li><li>3. any material changes to the Fund's risk profile or investment strategy;</li><li>4. any changes in the individual's playing a key role in the Fund's investment decisions; and</li><li>5. any changes to key service providers since the last monthly update.</li></ol> <p>Unit prices are available to unitholders at <a href="http://www.firstsentierinvestors.com.au">www.firstsentierinvestors.com.au</a>. The following Fund information is available in a quarterly factsheet at <a href="http://www.firstsentierinvestors.com.au">www.firstsentierinvestors.com.au</a> and will also be provided to unitholders, as soon as practicable, after each periodic statement:</p> <ol style="list-style-type: none"><li>1. actual asset allocation of the Fund to each asset type;</li><li>2. liquidity profile of the Fund's assets;</li><li>3. maturity profile of the liabilities of the Fund;</li><li>4. the Fund's leverage ratio;</li><li>5. the derivative counterparties engaged (to the extent relevant);</li><li>6. monthly and/or annual investment returns over at least a five-year period or since inception (where the Fund has been in operation for less than five years); and</li><li>7. changes to key service providers of the Fund during the year.</li></ol>

ASIC disclosure principles	For more information please see
<b>Disclosure principle 1: Investment strategy</b>	<p>The Fund can invest in long and short positions in small Australian and New Zealand listed securities that are outside of the S&amp;P/ASX 100 Index.</p> <p>The Investment Manager seeks to generate consistent, absolute returns through all investment cycles by investing in long positions in entities where value is discovered through a bottom-up investment process with an emphasis on the entity's industry, financials and management team, and investing in short positions where the Investment Manager believes the security's price will fall.</p> <p>The Fund's ability to achieve its investment objective is dependent on the expertise of the Investment Manager to identify and invest in securities that will outperform the benchmark (for the long strategy) and securities that will fall (for the short strategy). In addition, the ability to establish short positions in an entity will be dependent on the ability to borrow that entity's securities from a prime broker.</p> <p>The Fund aims to have a net 100% long exposure. It may hold up to 130% of NAV in long positions and up to 30% of NAV in short positions at any one time. This translates into a diversified portfolio of approximately 50-70 (small capitalisation) securities (held as long positions) and 15-25 (small capitalisation) securities (held as short positions).</p> <p>The Fund can also hold cash (maximum 10%), exchange traded derivatives (maximum 5%) and New Zealand securities (maximum 15%). The assets will be denominated in Australian dollars.</p> <p>The Responsible Entity may make changes to the Fund's investment objective, benchmark, asset classes and allocation ranges at any time, in some cases, without prior notice. The Responsible Entity will inform unitholders of any material changes to the Fund. The key risks associated with an investment in this Fund include (but are not limited to) short selling risk, prime broker risk, smaller entities risk, equities risk and market risk. For a full explanation of these risks and other risks involved in investing in this Fund, please see section 7 'Risks'.</p> <p>For some of the risk management strategies adopted for the Fund please see 'Investment guidelines' and 'Managing short selling risk' in section 5 'About the First Sentier Australian Small Companies Long Short Opportunities Fund'.</p> <p>'Investment strategy', 'Investment guidelines' and 'Short selling' in section 5. 'About the First Sentier Australian Small Companies Long Short Opportunities Fund' and section 7. 'Risks'.</p>
<b>Disclosure principle 2: Investment Manager</b>	<p>The Responsible Entity has appointed First Sentier Investors (Australia) IM Ltd as the Investment Manager pursuant to an Investment Management Agreement (<b>IMA</b>).</p> <p>The Fund is managed by the First Sentier Australian Small and Mid Cap Companies investment team (Investment team), which is made up of investment professionals located in Australia with extensive experience investing in Australian and New Zealand securities.</p> <p>The qualifications and commercial experience of the Investment team, and the terms of the IMA, are described in section 4 'About the Investment Manager'. As at the Issue Date, there have been no adverse regulatory findings against the Investment Manager or the key individuals involved in the investment decisions of the Fund.</p> <p>'The Investment Manager' in section 4. 'About The Investment Manager'.</p>
<b>Disclosure principle 3: Fund structure</b>	<p>The Fund is an Australian registered managed investment scheme. The Trust Company (RE Services) Limited is the Responsible Entity of, and issuer of units in, the Fund. The Responsible Entity has appointed the Investment Manager and a number of other key service providers who are involved in the ongoing operation and administration of the Fund.</p> <p>'Fund structure' and 'Key service providers' in section 9. 'How the Fund works'.</p>
<b>Disclosure principle 4: Valuation, location and custody of assets</b>	<p>The asset allocation ranges are as follows:</p> <ul style="list-style-type: none"> <li>– Australian and New Zealand listed equities 90 – 100%</li> <li>– Cash 0 – 10%</li> <li>– Exchange traded derivatives 0 – 5%</li> </ul> <p>(The Fund may hold up to 15% of the Fund's NAV in securities listed solely in New Zealand)</p> <p>For unit pricing purposes, the securities and exchange traded derivatives will be valued using the last available market price quoted on the relevant securities exchange. The NAV per unit of the Fund is calculated by taking the total market value of the assets of the Fund less the total value of the liabilities of the Fund (including any adjustments for transaction costs), divided by the total number of units on issue at the relevant valuation day.</p> <p>As at the Issue Date of this PDS, Citigroup Global Markets Limited (<b>Citigroup</b>), a UK entity, has been appointed as prime broker and custodian (<b>Prime Broker</b> and <b>Custodian</b>) of the Fund. Citigroup has appointed a local sub-custodian in Australia and New Zealand to hold custody of the Fund's assets. The Responsible Entity may change, appoint or remove prime brokers without notice to unitholders.</p> <p>'Units in the Fund' in section 9. 'How the Fund works'.</p>
<b>Disclosure principle 5: Liquidity</b>	<p>The Fund's assets will comprise of exchange traded assets and cash. As at the Issue Date, the Responsible Entity reasonably expects that it will be able to realise 80% of the Fund's assets, at the value ascribed to those assets in calculating the Fund's NAV, within 10 days.</p> <p>N/A</p>
<b>Disclosure principle 6: Leverage</b>	<p>The Fund will not borrow cash for investment purposes. The Fund may borrow securities from the Prime Broker to enable it to short sell those securities. The assets of the Fund may be used as collateral in connection with those short selling transactions and such assets may be exposed to rights of set off or other claims from the Prime Broker.</p> <p>Any proceeds from selling the borrowed securities can be used to purchase additional securities.</p> <p>The maximum anticipated gross exposure (which is calculated as the sum of the Fund's maximum gross long positions plus the sum of the Fund's maximum gross short positions) is 160%. At the maximum levels, the Fund will have up to 130% of NAV in long positions and 30% of NAV in short positions.</p> <p>'Short selling' in section 5. 'About the First Sentier Australian Small Companies Long Short Opportunities Fund'.</p>

ASIC disclosure principles		For more information please see
<b>Disclosure principle 7: Derivatives</b>	The Fund may use exchange traded derivatives (including futures and options) for efficient portfolio management and to convert short-term excess cash holdings into equity-like holdings via, for example, SPI 200 futures.	'Derivatives' in section 5. 'About the First Sentier Australian Small Companies Long Short Opportunities Fund'.
<b>Disclosure principle 8: Short selling</b>	<p>To implement the Fund's short strategy, the Fund engages in short selling. Short selling is used to expand the outperformance opportunities in the portfolio by aiming to achieve positive absolute returns from securities where the security price is expected to fall.</p> <p>Short selling involves borrowing securities from a prime broker, with the intention of buying them later at a lower price and returning them to the prime broker. If the price of the security falls in value, the Fund will make a profit because it buys the security back from the market for less than it was sold. This can be contrasted with 'long positions' where the Fund makes a profit from any increase in the price of a security. Short selling involves a higher level of risk than buying a security.</p>	'Short selling' and 'Managing short selling risk' in section 5. 'About the First Sentier Australian Small Companies Long Short Opportunities Fund'.
<b>Disclosure principle 9: Withdrawals</b>	<p>The cut-off time for receipt of withdrawal requests by the Registry is 2pm on any Business Day and the transactions will be processed using the unit price next calculated after 2pm for the applicable Business Day.</p> <p>Withdrawals will usually be paid to your nominated bank account within 7 Business Days. In some circumstances, withdrawals may be restricted or suspended, for example, if relevant markets suspend trading or there is a large volume of withdrawal requests at any one time.</p>	'Withdrawals', 'Processing applications and withdrawals', 'Restrictions on withdrawals' and 'Suspensions' in section 9. 'How the Fund works'.



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

#### The Responsible Entity

The Trust Company (RE Services) Limited (**Responsible Entity, our, we or us**) is the responsible entity for the Fund and the issuer of the PDS. The Responsible Entity is a wholly owned subsidiary of Perpetual Limited ABN 86 000 431 827 (**Perpetual**), and a part of the Perpetual Group (comprising Perpetual Limited and its subsidiaries, including the Responsible Entity) which has been in operation for over 135 years. Perpetual is an Australian public company that has been listed on the Australian Securities Exchange (**ASX**) for over 55 years.

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

The Responsible Entity is bound by the constitution of the Fund (**Constitution**) and the Corporations Act 2001 (Cth) (**Corporations Act**). The Responsible Entity has lodged a compliance plan with ASIC which sets out the key measures which the Responsible Entity will apply to comply with the Constitution and the Corporations Act (**Compliance Plan**).

#### Constitution

The operation of the Fund is governed by the Constitution, which together with the Corporations Act 2001, sets out the rights, liabilities and obligations of both unitholders and the Responsible Entity.

A copy of the Constitution may be obtained free of charge by contacting the Responsible Entity or First Sentier Investors.

#### Compliance Plan

In accordance with the Corporations Act, a Compliance Plan has been prepared for the Fund and lodged with ASIC. The Compliance Plan outlines the measures the Responsible Entity will apply in operating the Fund to ensure that the Fund is compliant with the Constitution and the Corporations Act.

An external auditor undertakes a review of the Compliance Plan and the Responsible Entity's compliance with it on an annual basis as required under the Corporations Act.

### 4. About the Investment Manager

#### The Investment Manager

The Responsible Entity has appointed First Sentier Investors (Australia) IM Ltd as the Investment Manager of the Fund.

#### First Sentier Investors

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

First Sentier Investors is a stand-alone asset management business and also home to a number of individually branded investment teams, such as AlbaCore Capital Group, FSSA Investment Managers, Igneo Infrastructure Partners, RQI Investors and Stewart Investors.

All investment teams operate with discrete investment autonomy, according to their investment philosophies. Together, the First Sentier Investors group offers a comprehensive suite of investment capabilities across global and regional equities, cash and fixed income, listed and unlisted infrastructure and listed property, all with a shared purpose to deliver investment success.

First Sentier Investors has been managing money with a long-term outlook for more than 30 years on behalf of institutional investors, pension funds, wholesale distributors and platforms, financial advisers and their clients. First Sentier Investors is ultimately owned by MUFG, one of the world's largest financial services companies.

Under the IMA, the Investment Manager agrees to provide investment management services with respect to the Fund in accordance with the investment strategy set out in the PDS.

The Responsible Entity is able to terminate the Investment Manager's appointment under the IMA in certain circumstances without penalty, including but not limited to:

- where the Investment Manager enters into receivership, liquidation, is placed under official management or an administrator is appointed to its affairs or it ceases to conduct business;
- where the Investment Manager, in a material respect, is in breach or fails to observe or perform any duty, obligation, representation, warranty or undertaking under the IMA and fails to rectify such breach or failure within a reasonable period specified by the Responsible Entity; and
- where the Responsible Entity has obtained independent external legal advice and considers it reasonably necessary to do so to ensure compliance with its duties and obligations under relevant law, the Constitution or by any court of competent jurisdiction.



## First Sentier Australian Small and Mid Cap Companies investment team

The Fund is managed by the First Sentier Australian Small and Mid Cap Companies investment team, headed by Dawn Kanelleas. Dawn is supported by one Senior Portfolio Manager and one Portfolio Manager.

### Dawn Kanelleas Head of Australian Small and Mid Cap Companies

Dawn manages a range of small and mid cap companies portfolios as well as researches and analyses a range of Australian listed entities in the small and mid cap companies sectors. Dawn has more than 20 years of investment industry experience as a Fund Manager and Broker, with the last 15 years as a Small Companies Portfolio Manager.

Dawn devotes all of her time to the investment management business of First Sentier Investors, which includes overseeing the investment management strategy of this Fund. Dawn has completed a Bachelor of Science with first class honours and a PhD in Chemistry from the University of Sydney. She also has a Graduate Diploma in Applied Finance.

### Michael Joukhador Senior Portfolio Manager

Michael manages a range of small and mid cap companies portfolios as well as undertaking both quantitative and qualitative research for security selection ideas in the small and mid cap companies sectors. Michael covers a variety of entities and industries including property, industrials and information technology. Michael spends his time primarily on managing the Fund and is responsible for the Fund's investment strategy and risk management. In addition, Michael contributes to regular risk and performance monitoring of the portfolios.

Michael started working on small companies portfolios in October 2007 after completing rotations in the Business Development and Global Property teams.

Michael holds a Bachelor of Commerce and Law (Hons) from the University of Sydney. Michael has passed the three levels of CFA exams.

### Tahlia Gugusheff Portfolio Manager

Tahlia manages a range of small and mid cap companies portfolios as well as undertaking quantitative and qualitative research for security selection ideas in the small and mid cap companies sectors. Tahlia covers a variety of entities and industries including industrials, infrastructure and consumer discretionary.

Tahlia joined First Sentier Investors as part of the graduate program in February 2016, where she completed rotations in the Economics, Fixed Income, Direct Infrastructure and Australian Small Companies teams. Prior to joining the Investment team, Tahlia was an Investment Analyst in the Direct Infrastructure team, working on transactions and asset management.

Tahlia holds a Bachelor of Commerce and Law (Hons) from the University of Adelaide.

## 5. About the First Sentier Australian Small Companies Long Short Opportunities Fund

### Investment objective<sup>1</sup>

To outperform the S&P/ASX Small Ordinaries Accumulation Index (before fees and taxes) over rolling five-year periods.

### Investment strategy

The Fund can invest in long and short positions in small Australian and New Zealand listed securities that are outside of the S&P/ASX 100 Index.

The Investment Manager seeks to generate consistent, absolute returns through all investment cycles by investing in long positions in entities where value is discovered through a bottom-up investment process with an emphasis on the entity's industry, financials and management team. Whilst undertaking the investment process, the Investment Manager may identify entities where the security prices are expected to fall and may short sell these securities.

The Fund's ability to achieve its investment objective is dependent on the expertise of the Investment Manager to identify and invest in securities that will outperform the benchmark (for the long strategy) and securities that will fall (for the short strategy). In addition, the ability to establish short positions in an entity will be dependent on the ability to borrow that entity's securities from the Prime Broker.

The Fund aims to have a net long exposure of 100%. It may hold up to 130% of NAV in long positions and up to 30% of NAV in short positions at any one time. Any proceeds from selling the borrowed securities can be reinvested in the long portfolio up to 130% of the NAV, with the aim of expanding active risk and seeking higher long-term investment returns. The Fund can hold cash and may use derivatives for efficient portfolio management and to convert short-term excess cash holdings into equity holdings.

The Fund seeks to be fully invested in listed securities. As a consequence, Fund returns will be correlated to some extent with the S&P/ASX Small Ordinaries Accumulation Index (being the benchmark) as it moves, both higher and lower.

You should consider the likely investment return, risk and your investment timeframe when choosing to invest in the Fund. An investment in the Fund is intended to be suitable for investors willing to take more risk in search of greater returns.

Section 5 'The Fund's approach to ESG' of this PDS sets out the manner of which the Fund takes into account the Environmental, Social and Governance (ESG) considerations in relation to the selection, retention and realisation of investments.

### Investment universe

This Fund can invest in all entities listed on the ASX which are not included in the S&P/ASX 100 Index at the time of initial investment.

In addition, entities with the following traits are screened out of the investable universe:

- market capitalisation less than A\$50 million;
- forecastable cashflows do not exist within a two-year timeframe;
- speculative business models; and
- non-investment grade management quality.

Investments in entities which are promoted to the S&P/ASX 100 Index can continue to be traded and held, until such time the investment is sold in its entirety.

### Investment process

Value is discovered through a bottom-up investment approach, with an emphasis on the entity's industry, financials and management team.

The Investment team performs its own financial analysis for entities in the investment universe. The underlying assumptions and forecasts that form the basis of market expectations for each entity are also validated through the use of financial models. The financial modelling varies for each entity and industry, but typically involves scenario analysis of margin and growth assumptions, the implied cash generation and stress testing of underlying economic assumptions.

The Investment team also has a commitment to a broadly sourced and efficient research effort to assess investment opportunities, which encompasses an extensive entity engagement program. The research effort is conducted within a framework of six key criteria, being: management, industry/entity position, financials, valuation, sustainability, and market factors.

For each entity, a tick, dash or cross is applied to each of these six criteria based on the research. A tick signifies a positive view by the Investment team and suggests that this criterion will be a driver of security price outperformance. A dash signifies a neutral view, while a cross signifies a negative view and implies that this factor will have an adverse impact on the share price. The Investment team then assess the number of ticks, dashes and crosses for each entity and makes a recommendation on the desired active positioning of the entity in the portfolio.

1. The investment objective is not intended to be a forecast. It is merely an indication of what the Fund aims to achieve over the longer term on the assumption that equity markets remain relatively stable throughout the investment term. The Fund may not be successful in meeting this objective. Returns are not guaranteed.

## Investment guidelines

Investment guidelines	
<b>Asset allocation<sup>1</sup></b>	<p>The asset allocation ranges are as follows:</p> <ul style="list-style-type: none"> <li>– Australian and New Zealand listed equities 90 – 100%</li> <li>– Cash 0 – 10%</li> <li>– Exchange traded derivatives 0 – 5%</li> </ul> <p>(The Fund may hold up to 15% of the Fund's NAV in securities listed solely in New Zealand)</p>
<b>Investment ranges</b>	The Fund's long portfolio will generally hold 50 to 70 listed securities. The Fund's short portfolio will generally hold 15 to 25 listed securities.
<b>Individual security limits</b>	<ul style="list-style-type: none"> <li>– Maximum of 10% of the portfolio value in one entity and its subsidiaries.</li> <li>– Maximum of 10% of the issued capital in one entity can be acquired.</li> <li>– Any individual security within the Fund's portfolio may deviate from the respective index weight of that security in the S&amp;P/ASX Small Ordinaries Accumulation Index by a maximum of +/-6%.</li> </ul>
<b>Maximum gross short position</b>	30%
<b>Maximum gross long position<sup>2</sup></b>	130%
<b>Risk level<sup>3</sup></b>	<p><b>Medium to High</b></p> <p>The likelihood of the capital value of your investment going down over the short term is higher compared to funds investing in lower-risk assets such as fixed interest assets or cash.</p>
<b>Minimum suggested timeframe for holding the investment</b>	7 years. Please note this is a guide only, not a recommendation.
<b>Labour standards or environmental, social or ethical considerations</b>	<p>The Responsible Entity does not itself take into account labour standards or environmental, social and ethical considerations for the purposes of selecting, retaining or realising investments for the Fund. The Responsible Entity has delegated investment management decisions of the Fund, to the Investment Manager pursuant to the IMA, which includes taking into account labour standards or environmental, social and ethical considerations for the purpose of selecting, retaining or realising investments.</p> <p>For information in relation to how the Investment Manager incorporates ESG considerations into the management of this Fund, please refer to 'The Fund's approach to ESG' section.</p> <p><b>The Fund's approach to ESG</b></p> <p><b>Overview</b></p> <p>The Fund does not have ESG targets and on that basis is not designed for investors who are looking for funds that meet particular ESG targets.</p> <p>This Fund's investment decision process, including with respect to ESG factors, may differ to other funds managed by the Investment Manager.</p> <p>As part of the investment decision process for this Fund, each entity considered for investment is evaluated against six key criteria, being:</p> <ol style="list-style-type: none"> <li>1. management;</li> <li>2. industry/entity position;</li> <li>3. financials;</li> <li>4. valuation;</li> <li>5. sustainability; and</li> <li>6. market factors.</li> </ol> <p><b>Sustainability criterion</b></p> <p>ESG factors are considered in the sustainability criterion based on the entity's sector and/or industry, as well as being influenced by entity-specific details. When evaluating an entity against the sustainability criterion, the ESG factors considered may include, but are not limited to the following:</p> <ul style="list-style-type: none"> <li>– <b>Environmental factors:</b> an entity's commitments with respect to climate change (such as its commitment to managing carbon emissions) and an entity's management of water and waste.</li> <li>– <b>Social factors:</b> an entity's commitment to workplace health and safety and an entity's stated commitments and policies regarding human rights (such as modern slavery).</li> <li>– <b>Governance factors:</b> an entity's board composition (which may include factors such as board independence, the separation of the chairman and CEO roles and audit remuneration committee independence), remuneration structures and corporate disclosure.</li> </ul> <p>The emphasis placed by the Investment Manager on a particular ESG factor in the assessment of the sustainability criterion is based on the Investment Manager's assessment of the extent to which that factor is likely to have an impact on the returns of the relevant security over the long-term.</p> <p>There is no set weight given to the sustainability criterion as part of the overall investment decision process and as a result it is possible that an entity which scores poorly on the sustainability criterion may still be considered eligible for inclusion in the portfolio when considered against the other five criteria.</p> <p>The Investment Manager relies on internal qualitative research, which includes active company engagement when assessing and monitoring entities in respect of the sustainability criterion. ESG matters are frequently raised with senior management, including board members, during engagement with entities. Research may also be supplemented by third-party providers from time to time.</p>

**Exclusion of certain investments**

In addition to the above ESG analysis, the management of the Fund is also subject to the exclusion of investment (either in equity or debt (as applicable)) in entities that:

- derive any gross revenue directly from the manufacture of Controversial Weapons (defined below) or Tobacco Products (defined below); or
- own a 50% or more interest in entities that derive any gross revenue directly from the manufacture of Controversial Weapons or Tobacco Products.

This exclusion is subject to the following qualifications:

- For the purposes of this exclusion, Controversial Weapons means: anti-personnel mines, cluster weapons, biological and chemical weapons, depleted uranium, nuclear weapons produced in support of the nuclear weapons programs of non-nuclear weapon state parties and non-signatories to the Treaty on the Non-Proliferation of Nuclear Weapons and white phosphorus munitions.
- For the purposes of this exclusion, Tobacco Products means: traditional cigarettes and other tobacco products, such as cigars and chewing tobacco, however vaping and e-cigarette products are not captured by this definition.
- This exclusion does not apply to investments in entities with minority investments (i.e. less than 50% interest in the entity) in other entities or joint ventures that are involved in the manufacture of Controversial Weapons or Tobacco Products.
- The implementation of this exclusion is dependent on information relating to either reported revenues or revenue estimates provided by reputable third-party research providers. Where such information turns out to be inaccurate or there are delays in accessing such information, the implementation of this exclusion may in turn be delayed, particularly where there has been material changes in the nature of certain investments.

If any existing investment is subsequently assessed to be captured by the above exclusion, the relevant investment team will generally seek an orderly sale of that investment within three months, but this timeframe may vary on a case-by-case basis.

**Changes to Fund details**

The Responsible Entity may close, terminate the Fund or make changes to the Fund's investment objectives, benchmark, asset classes and allocation ranges at any time, in some cases, without prior notice. The Responsible Entity will inform unitholders of any material changes to the Fund.

1. The investment allocation is only a range, actual allocations can change within the ranges significantly and sometimes quickly.
2. The maximum gross long position refers to using any proceeds from selling the borrowed securities being reinvested in the long portfolio up to 130% of the NAV. Please refer to 'What is a long short portfolio' in section 5 'About the First Sentier Australian Small Companies Long Short Opportunities Fund' for more information.
3. The risk level is not a complete assessment of all forms of investment risks, for instance it does not detail what the size of a negative return could be or the potential for a positive return to be less than the return an investor may require to meet their objectives. Please refer to section 7 'Risks' for more information.

**Derivatives**

**Derivatives are instruments whose value is derived from the value of an underlying asset (such as securities) and can be highly volatile. The Fund may use derivatives to achieve its exposure to assets and markets in the manner described below. The Fund:**

- may invest in exchange traded derivatives such as futures and options; and
- will not invest in over-the-counter derivatives.

Exchange traded derivatives have a visible and transparent market place as the price of these derivatives is published on the relevant market exchanges on which they are bought and sold. Exchange traded derivatives:

- expose unitholders to negligible counterparty risk given the counterparty to the derivative contract is the relevant clearing agent rather than another party, the contracts are standardised and these derivatives are subject to the rules and regulation of the relevant exchange;
- may be used for efficient portfolio management; and
- may be used to convert short-term excess cash holdings into equity-like holdings via, for example, the SPI 200 futures. This strategy is sometimes utilised so the Fund is invested in equity securities rather than cash to the maximum extent practical.

The Fund does not use derivatives for speculative activity, gearing or to net short sell portfolio assets. The use of derivative positions is intended to be modest and fully cash-backed only.

## Short selling

Short selling is used to expand the outperformance opportunities in the portfolio by aiming to achieve positive absolute returns from entities where the security price is expected to fall.

Short selling involves borrowing securities from a prime broker and selling them, with the intention of buying them later at a lower price and returning them to the prime broker. Any proceeds from selling the borrowed securities can be reinvested in securities that are expected to outperform, thereby improving the Fund's potential returns.

### Examples of short selling

Below are examples showing the potential gains and losses from short selling. The examples do not factor in borrowing costs or any other costs incurred when borrowing securities.<sup>2</sup> Short selling involves three key steps:

1. Borrowing the securities from a prime broker.
2. Selling the securities in the market.
3. Buying back the securities and returning the same number of securities to the prime broker.

**Example – The Investment Manager expects that the security price of Company A will drop and short sells Company A securities. The current security price of Company A is \$5.**

Transaction	Outcome
<b>Scenario 1: Company A security price drops from \$5 to \$3</b>	
1. The Investment Manager decides the Fund will borrow 1,000 Company A securities from a prime broker	The Fund has 1,000 Company A securities to sell
2. The Fund sells 1,000 Company A securities at \$5 per security	<b>Sale price</b> $1,000 \times \$5 = 5,000$ The Fund receives \$5,000 from the sale of 1,000 Company A securities
3. Company A security price drops as expected from \$5 to \$3 The Fund purchases 1,000 securities at \$3 per security and returns the 1,000 securities back to the prime broker	<b>Purchase price</b> $1,000 \times \$3 = \$3,000$ The Fund pays \$3,000 to purchase 1,000 Company A securities
<b>Profit from the short selling of Company A securities</b>	<b>Sale price – Purchase price</b> $\$5,000 - \$3,000 = \$2,000$
<b>Scenario 2: Company A security price increases from \$5 to \$8</b>	
1. The Investment Manager decides the Fund will borrow 1,000 Company A securities from a prime broker	The Fund has 1,000 Company A securities to sell
2. The Fund sells 1,000 Company A securities at \$5 per security	<b>Sale price</b> $1,000 \times \$5 = 5,000$ The Fund receives \$5,000 from the sale of 1,000 Company A securities
3. Company A security price increases from \$5 to \$8 The Fund purchases 1,000 securities at \$8 per security and returns the 1,000 securities back to the prime broker	<b>Purchase price</b> $1,000 \times \$8 = \$8,000$ The Fund pays \$8,000 to purchase 1,000 Company A securities
<b>Loss from the short selling of Company A securities</b>	<b>Sale price – Purchase price</b> $\$5,000 - \$8,000 = -\$3,000$

### What is a long short portfolio?

Long investing is simply buying securities in the expectation that they will rise in value. Short selling is borrowing securities and selling them with the expectation that they will fall in value. A long short portfolio combines long investing with short selling.

The Fund will aim to have a net long exposure of 100%. It will also short sell up to 30% of its NAV and invest the proceeds from selling the borrowed securities back into the long portfolio up to 130% of the NAV, with the aim of expanding active risk and seeking higher long-term investment returns.

In practice, the percentage of the portfolio sold short is likely to be considerably lower than the 30% maximum permitted.

The steps below set out an example of how the Fund could build a 'long short' portfolio:

1. Use 100% of capital to acquire listed securities ('long portfolio').
2. Borrow securities worth 30% of the capital and sell listed securities with the Prime Broker in market through 'short selling' ('short portfolio').
3. Use the proceeds from selling the borrowed securities to buy an additional 30% in securities.

<sup>2</sup> Borrowing costs can vary significantly depending on market conditions for individual securities, from time to time.

## Managing short selling risk

As the Fund engages in short selling, the Fund may be exposed to 'short position' risk where there is no limit on the maximum loss that can be incurred when short selling. Short selling can involve greater risk than buying a security (i.e. a traditional 'long-only' portfolio position), as the potential for loss in a short position is not capped at 100% and can continue to grow to the extent that the price of a security rises. The potential loss in a short position is uncapped, as the security price can, in theory, keep rising forever. Whilst short selling can often reduce risk since it may offset losses on long positions, it is also possible for long positions and short positions to both lose money at the same time.

Risks associated with short selling are mitigated in the following way:

1. By limiting the size of short positions in the portfolio. Short positions are limited to 30% of NAV. This limit will be monitored daily by utilising the investment management systems of the Investment Manager.
2. By limiting the size of individual short positions to ensure they do not deviate from the respective index weight of that security in the S&P/ASX Small Ordinaries Accumulation Index by a maximum of -6%.
3. By diversifying the short positions across a number of securities. 15-25 securities at any one time may be shorted. This may assist in reducing the impact on the overall performance of the Fund if the price of a shorted security increases.
4. The short position can be closed out by buying the security long and returning it to the Prime Broker.

In the event that the Prime Broker asks for a recall (that is, the return of the borrowed securities), the position will be closed out as soon as practicable, as current market conditions permit (which may involve transacting over multiple trading sessions). If this occurs, there is the risk that the Fund may have to buy securities at an unfavourable price to meet its obligations, or the Fund could continue to pay borrowing costs associated with the borrowed securities to the Prime Broker until the securities can be bought back from the market and returned to the Prime Broker.

Please see section 7 'Risks' which further describes the risks involved with an investment in the Fund, including in relation to short selling.

## 6. Benefits of investing in the Fund

Investing in the Fund offers investors:

- access to a long short portfolio that may be difficult for individual investors to employ;
- the opportunity for enhanced returns by investing long in entities where the security price is expected to outperform the broader benchmark, and expanding the opportunity set by selling short in entities where the security price is expected to fall;
- access to a diversified portfolio of investments which will be spread across a carefully researched and actively managed portfolio of a broad range of securities. The diversification of investments can help reduce overall investment risk; and
- the proven expertise of an Investment team that has extensive experience in managing securities for investors for the past 20 years.

## 7. Risks

### Risk level

The Fund is assigned a risk level which aims to assist the investors to compare funds in the context of the likely number of negative annual returns expected over any 20 year period. This measure, known as Standard Risk Measure (SRM), is based on APRA guidance and the Standard Risk Measure Guidance Paper For Trustees, issued July 2011 by the Financial Services Council and The Association of Superannuation Funds of Australia. The table below outlines the different levels of risk as defined by the SRM. The risk level is not a complete assessment of all forms of investment risks, for instance it does not detail what the size of a negative return could be or the potential for a positive return to be less than the return an investor may require to meet their objectives. Further, it does not take into account the impact of fees and tax on the likelihood of a negative return.

Investors should ensure that they are comfortable with the risks and potential losses associated with the Fund. The SRM for the Fund is 5.

Risk band	Risk label	Estimated number of negative annual returns over any 20 year period
1	Very low	Less than 0.5
2	Low	0.5 to less than 1
3	Low to medium	1 to less than 2
4	Medium	2 to less than 3
5	Medium to high	3 to less than 4
6	High	4 to less than 6
7	Very high	6 or greater



## Risks of the Fund

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

When considering your investment decision, it is important that you understand the risks that can affect the value of your investment. The value of your investment will vary. The level of returns will vary and future returns may differ from past returns. Returns are not guaranteed. You may receive back less than your original investment when you withdraw from the Fund or you may not receive income from the Fund during a specific period. There is also a risk that laws affecting managed investment schemes may change in the future. The appropriate level of risk for you will vary, depending on a range of factors, including your age, investment timeframes, other investments and risk tolerance levels. Your financial adviser can help you determine whether the Fund is an appropriate investment based on the above factors. The Responsible Entity has set out below a list of significant risks that may affect your investment in the Fund. It is not always possible to completely eliminate these risks, however it is possible to manage their impact on the Fund through prudent monitoring of the factors giving rise to these risks.

These risks are not exhaustive and there could be other risks that may adversely affect the Fund.

**Company risk** - An investment in equities or corporate bonds (if applicable) is exposed to risks due to changes in that company or its business environment. Changes to operations and/or management, legal proceedings involving the company, and profit and loss announcements may affect the value of the Fund's security/bond holdings and subsequently the value of the Fund.

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

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

The Fund does not use hedging to manage the exchange rate risk arising from investing internationally and as such, its value may be reduced with a rise in the Australian dollar.

**Cyber risk** - There is a risk of fraud, data loss, business disruption or damage to the information of the Fund or to unitholders' personal information as a result of a threat or failure to protect the information or personal data stored within the IT systems and networks of the Responsible Entity or other service providers.

**Derivatives risk** - Derivatives are contracts that usually derive their value by reference to the price of an underlying physical asset or market index. Risks associated with the use of derivatives include that the value of a derivative may fall as a result of an adverse movement in the underlying asset or index, the Fund not being able to meet payment obligations as they arise and the risk that the other party with whom the derivative contract is held will fail to perform its contractual obligations.

**ESG risk** - The realisation of any applicable ESG-related commitments and targets (if any) that are incorporated into the investment process of the Fund is dependent on the accuracy of information provided by portfolio companies and their future actions (for which the relevant portfolio company is responsible and accountable), and which is subject to change or may otherwise be inaccurate. Accordingly, there is a risk that portfolio companies do not achieve their stated ESG objectives which in turn may affect the realisation of any applicable ESG-related commitments and targets that are incorporated in the investment process of the Fund (if any).

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

**Foreign investment risk** - Investments in international assets may involve certain risks associated with differences between countries in relation to accounting, financial reporting, taxation, legal, regulatory, currency, pricing and liquidity requirements and trading and settlement procedures. The countries to which the Fund is exposed may be subject to considerable degrees of economic, political and social instability, which may reduce or preclude the ability to trade, restrict currency repatriation, or negatively affect an asset's value.

**Fund risk** - Fund risk refers to specific risks associated with the Fund and includes:

- changes to the investment team, which may affect the Fund's future performance;
- the termination of the Fund;
- the possibility of different outcomes when investing in the Fund rather than investing directly in the assets of the Fund;
- the risk that costs of your investment may increase due to an increase of fees and costs in the Fund; and
- closing the Fund to further investments if, for example, the Responsible Entity considers it appropriate given the investment objective and investment strategy of the Fund.

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

**Investments sanctions risk** - Regulations, restrictions and sanctions may be imposed by governments or international bodies (such as the United Nations) which may impact investments held by the Fund. Sanctions may result in:

- limits on the amount and type of assets that may be purchased by the Fund;
- restrictions to the sale and timing of sanctioned assets or devaluation of such assets within the Fund;
- refusal of sanctioned persons purchasing assets; and/or
- unitholders in the Fund who become sanctioned being restricted from trading in units in the Fund.

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



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

**Operational risk** – The risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events. Adverse impacts may arise internally through human error, technology or infrastructure changes, or through external events such as third party failures or crisis events.

**Prime broker and securities lending risk** – The Fund will engage one or more prime brokers from time to time (each a **Broker**), whose services may include lending securities to the Fund. The Fund may borrow securities from one or more of the Brokers to enable short selling. To allow for this, each relevant Broker will require collateral equal to the value of the securities borrowed plus a margin as security. Each such Broker's Prime Broking Agreement or Securities Lending Agreement (each an **Agreement**) will therefore allow for the transfer of assets (the **Transferred Assets**) by the Fund to the relevant Broker. Each Agreement will also allow such Broker to lend, charge, hypothecate, borrow against or otherwise deal with the Transferred Assets on its own account, subject to the obligation to return equivalent assets to the Fund. There is a risk that the relevant Broker may not return equivalent assets or value to the Fund (for example, because of the insolvency of the Broker).

If a Broker defaults on the performance of its obligations under the relevant Agreement, or the Agreement is otherwise terminated, the Fund may not be able to effectively pursue the investment strategy until an alternative Broker can be appointed. In the event of insolvency of a Broker, the Fund will rank as an unsecured creditor of the Broker and may not be able to recover the Transferred Assets in full or at all.

**Regulatory and tax risk** – Governments or regulators may pass laws, make changes to taxation laws, create policy or implement an existing policy that may affect the Fund as a whole or individual securities or the Investment Manager's ability to execute strategies. This may affect either a particular transaction or market, and may be either country specific or global. Such changes may result in the Fund failing to achieve its investment objectives.

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

**Short selling risk** – The Fund uses short selling as part of its investment strategy. Short selling means the Fund sells a security it does not own to try and profit from an anticipated fall in the value of the security. Short positions carry heightened risks as the potential losses are uncapped in the case of a rising security price, unlike a long position which is capped at 100% of the value of a security in the case of a falling security price. Additionally, there is a risk that the securities lender may recall a borrowed security, so the Fund will have to find another securities lender willing to lend the security, or may have to buy the security at an unfavourable price. The success (or otherwise) of the short positions taken is highly dependent on the skill and judgement of the investment team responsible for managing the Fund. The strategies that the Investment team may employ to manage this short selling risk are described further in section 5 'About the First Sentier Australian Small Companies Long Short Opportunities Fund'.

**Smaller entities risk** – The trading volumes of entities with small market capitalisations are typically less than their large cap counterparts. In some cases this means there is increased liquidity risk when trading smaller entities. Entities in the S&P/ASX Small Ordinaries Index generally trade with greater volatility than their large cap counterparts. This can increase the magnitude of security price movements and subsequently the potential size of gains or losses.

## Conflicts of interest

First Sentier Investors may be the investment manager of other funds not described in this PDS. Entities within the Perpetual Group may act in various capacities (such as responsible entity, trustee and custodian) for other funds or accounts. First Sentier Investors and the Perpetual Group have implemented policies and procedures to identify and where possible mitigate or avoid the conflict.

## 8. Fees and other costs

### DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns. For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from \$100,000 to \$80,000). You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs. You may be able to negotiate to pay lower fees. Ask the fund or your financial adviser.

### TO FIND OUT MORE

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

This section shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the assets of the managed investment scheme as a whole. Taxes are set out in another part of this document. You should read all the information about fees and costs because it is important to understand their impact on your investment. Unless otherwise stated, all fees and costs are quoted inclusive of goods and services tax (GST) and net of any input tax credits (ITCs) or reduced input tax credits (RITCs) as applicable.

**Warning:** Additional fees may be charged if you're investing in the Fund via a Service or if you consult a financial adviser. Please refer to your Service Operator's disclosure document or statement of advice from your financial adviser in which details of the fees are set out.

## Fees and costs summary

First Sentier Australian Small Companies Long Short Opportunities Fund		
Type of fee or costs	Amount	How and when paid
<b>Ongoing annual fees and costs<sup>1</sup></b>		
<b>Management fees and costs</b> The fees and costs for managing your investment	1.10% p.a. of the NAV of the Fund, comprised of: 1. Management fee: 1.10% p.a. <sup>2</sup> of the NAV of the Fund; 2. Recoverable expenses: 0.00% p.a. <sup>3</sup> of the NAV of the Fund; and 3. Indirect costs: 0.00% p.a. of the NAV of the Fund.	1. The management fee is deducted from the assets of the Fund and is calculated and accrued daily, reflected in the unit price and payable monthly in arrears. 2. Recoverable expenses incurred in managing the Fund will generally be paid out of the management fee. If the expenses are recovered, they will be deducted from the Fund's assets when incurred. 3. Any indirect costs are deducted from the value of the assets of the Fund as and when incurred and are reflected in the ongoing unit price.
<b>Performance fees</b> Amounts deducted from your investment in relation to the performance of the Fund	Estimated to be 0.79% p.a. <sup>4</sup> of the NAV of the Fund (if payable)	The estimated performance fee component is a percentage of the NAV. The performance fee is 20% multiplied by an amount equal to the Fund's performance measured by the daily percentage change in NAV per unit (adjusted for any distributions and excluding accrued performance fees) less the performance of the benchmark measured as the daily percentage change of the benchmark multiplied by the Fund's NAV from the previous Business Day (adjusted for any distributions and excluding accrued performance fees). The performance fee is calculated for each Business Day (which may be positive or negative) and the cumulative performance fee is payable, and deducted from the assets of the Fund, if positive, on the last day of each performance period, being a calendar month.
<b>Transaction costs</b> The costs incurred by the scheme when buying or selling assets	Estimated to be 0.00% p.a. of the NAV of the Fund	The transaction costs are deducted from the assets of the Fund as and when incurred. They are disclosed net of the amounts recovered by the buy/sell spread.
<b>Member activity related fees and costs (fees for services or when your money moves in or out of the scheme)</b>		
<b>Establishment fees</b> The fee to open your investment	NIL	Not applicable
<b>Contribution fee</b> The fee on each amount contributed to your investment	NIL	Not applicable
<b>Buy-sell spread</b> An amount deducted from your investment representing costs incurred in transactions by the scheme	+0.30% / -0.30%	The buy/sell spread may be applied when applying and withdrawing from the Fund and is reflected in the Fund's entry and exit unit price.
<b>Withdrawal fee</b> The fee on each amount you take out of your investment	NIL	Not applicable
<b>Exit fee</b> The fee to close your investment	NIL	Not applicable

## First Sentier Australian Small Companies Long Short Opportunities Fund

Type of fee or costs	Amount	How and when paid
<b>Switching fee</b> The fee for changing investment options	NIL	Not applicable

1. Unless otherwise stated, all estimates of fees and costs in this section are based on information available for the 12 months to 30 June 2024, and reflect reasonable estimates of the ongoing amounts for the current financial year.

2. The Responsible Entity may negotiate rebates or waive all or part of its fees for certain wholesale clients in accordance with the Corporations Act. Please refer to 'Negotiable fees' below.

3. The Responsible Entity may decide to pay abnormal expenses incurred in managing the Fund out of the assets of the Fund in addition to payment of the management fees. Please refer to 'Recoverable expenses' below.

4. This represents the average performance fees paid by the Fund over the previous two financial years ending 30 June 2024 and is not a forecast of any future performance fees. Past performance is not a reliable indicator of the Fund's future performance. The actual performance fee payable will be based on the Fund's actual performance over the relevant period. Please refer to 'Performance fees' below for more information.

## Example of annual fees and costs for the Fund

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

<b>EXAMPLE - First Sentier Australian Small Companies Long Short Opportunities Fund</b>		
<b>Balance of \$50,000 with a contribution of \$5,000 during the year<sup>1</sup></b>		
Contribution fees	NIL	For every additional \$5,000 you put in, you will be charged <b>\$0</b>
<b>PLUS</b> Management fees and costs	1.10% p.a.	<b>And</b> , for every \$50,000 you have in the Fund, you will be charged or have deducted from your investment <b>\$550.00</b> each year
<b>PLUS</b> Performance fees	0.79% p.a.	<b>And</b> , you will be charged or have deducted from your investment <b>\$395.00</b> in performance fees each year
<b>PLUS</b> Transaction costs	0.00% p.a.	<b>And</b> , you will be charged or have deducted from your investment <b>\$0</b> in transaction costs
<b>EQUALS</b> Cost of First Sentier Australian Small Companies Long Short Opportunities Fund	If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees and costs of <b>\$945.00</b> . <b>What it costs you will depend on the investment option you choose and the fees you negotiate.<sup>2</sup></b>	

1. The example above is illustrative only and assumes the additional \$5,000 is invested at the end of the year and the value of the investment is constant over the year. Therefore, the management fees and costs are calculated using the \$50,000 balance only. Additional fees may be charged if you're investing in the Fund via a Service or if you consult a financial adviser. The buy spread charged on the additional \$5,000 is not included in the example above. 2. The Responsible Entity may negotiate rebates or waive all or part of its fees for certain wholesale clients in accordance with the Corporations Act. Please refer to 'Negotiable fees' in section 8 'Additional explanation of fees and costs' in this PDS.

## Additional explanation of fees and costs

This section provides additional information about the fees and costs that you may be charged. The fees and costs may be deducted from your money, from the returns on your investment or from the assets of the Fund as a whole.

Taxes are set out in section 10 'How managed investment schemes are taxed' of this PDS. You should read all the information about fees and costs because it is important to understand their impact on your investment.

## Ongoing annual fees and costs

The ongoing annual fees and costs for the Fund comprises:

- management fees and costs (including estimated recoverable expenses and estimated indirect costs);
- performance fees (if payable); and
- transaction costs.

The amounts shown in the 'Fees and costs summary' are current as at the Issue Date of this PDS.

## Management fees and costs

Management fees and costs are comprised of a management fee, any recoverable expenses and indirect costs that you incur by investing in the Fund but excludes transaction costs and government charges.

### Management fee

The Responsible Entity receives a fee for management of the assets in the Fund and overseeing the day-to-day administration and operations of the Fund. Any fees charged by the Investment Manager, Registry and Administrator will be paid by the Responsible Entity out of its management fee and will not be an extra cost to you or the Fund. The management fee is paid to the Responsible Entity monthly in accordance with the Constitution.

### Recoverable expenses

The Responsible Entity is entitled to be paid or reimbursed from the assets of the Fund for any expenses that it incurs in relation to the proper performance of its duties relating to the administration or management of the Fund.

Recoverable expenses may include abnormal operating expenses and normal operating expenses.

As at the Issue Date of this PDS, the Responsible Entity pays any recoverable expenses out of the management fee. However, if we decide to deduct expenses in addition to the management fee in the future, we will give you 30 days' prior written notice.

### Abnormal operating expenses

Abnormal costs are due to abnormal events such as unitholder meetings, changes to the Constitution or defending or pursuing legal proceedings. Where such events do occur, the Responsible Entity may at its discretion determine to recover these expenses from the Fund. If the expenses are recovered, they will be paid from the Fund's assets when the expenses are incurred.

## Normal operating expenses

Normal operating expenses are those costs that are incurred in the day-to-day administration of the Fund and include (but are not limited to), fees and expenses in connection with the marketing, administration and management of the Fund, costs of preparing and distributing reports and distribution statements to unitholders and the administration and management of assets of the Fund. The Constitution does not place any limit on the amount of expenses incurred in relation to the proper performance of the Responsible Entity's duties. As at the Issue Date of this PDS, normal operating expenses incurred in managing the Fund will be paid by the Responsible Entity out of the management fee of the Fund.

### Indirect costs

Indirect costs include any amount not charged as a fee that the Responsible Entity knows, or may reasonably estimate, has reduced or will reduce (directly or indirectly) the income of or property of the Fund, or the amount or value of the income of, or property attributable to the Fund, or an underlying fund in which the Fund invests. They do not include transaction costs.

Trade activity instruments that have an embedded cost (for example certain types of over-the-counter derivative financial product costs such as spreads and options premiums) may give rise to indirect costs.

## Performance fee

The Responsible Entity is entitled to charge a performance fee under the Constitution, payable out of the assets of the Fund.

The performance fee is equal to 20% multiplied by an amount equal to:

- the Fund's performance measured by the daily percentage change of the NAV per unit (adjusted for any distributions and excluding accrued performance fees); less
- the performance of the benchmark (being the S&P/ASX Small Ordinaries Accumulation Index) measured by the daily performance change of the benchmark; and

multiplied by the NAV of the Fund from the previous Business Day (adjusted for any distributions and excluding accrued performance fees).

The performance fee is calculated for each Business Day (which may be positive or negative) and the cumulative performance fee, if positive, may be payable and deducted from the assets of the Fund in arrears on the last day of the performance period, being each calendar month (**Performance Fee Period**).

If at the end of a Performance Fee Period the cumulative total performance fee accrued:

- is positive, it will be payable by the Fund. Following the payment, the cumulative performance fee will be reset to zero; or
- is negative, no performance fee will be payable and the negative accrual will be carried forward to the next Performance Fee Period (**Negative Cumulative Performance Fee**).

If an investor withdraws from the Fund, any Negative Cumulative Performance Fee that may otherwise have been carried forward is reduced in proportion to the reduction of the NAV as a result of the withdrawal of that investor. For example, if a withdrawal of an investor results in a 10% decrease of NAV, then the Negative Cumulative Performance Fee is also reduced by 10%. The Negative Cumulative Performance Fee is not increased to reflect the increase in the NAV when units are issued.

Any Negative Cumulative Performance Fee must be overcome before a performance fee can be paid.

The Responsible Entity will not be required to rebate any amount of performance fee in relation to a Performance Fee Period in which the calculation of the Fund's performance results in a negative amount. Further, the performance fee will still be payable if the Fund incurs losses for the month, so long as the Fund's performance exceeds the benchmark.

For periods of high outperformance, the performance fee may be substantial. We recommend you discuss this with your financial adviser to understand the impact of the performance fee.

To calculate the estimated performance fee, the performance fees that accrued over the previous two financial years are averaged. The calculated average performance fees for the Fund for each financial year making up the two financial year average of 0.79% is as follows:

Financial year	Average Performance Fee as a % of NAV
2023/24	0.03%
2022/23	1.56%

The Responsible Entity will notify you of any change to any component of the performance fee formula. For further information, please refer to the 'Increases or alterations to fees and costs' section of this PDS.

Past performance is not a reliable indicator of future performance and the Fund's actual performance fee will be based on the Fund's performance over the relevant period.

## Performance fee example

Below are some examples to illustrate when a performance fee may be payable. These examples are based on the following assumptions:

- an investment of \$50,000;
- calculations occur each Business Day;
- performance fees are payable monthly;
- the investment balance stays constant over the periods; and
- there were no application, redemption or distributions.

Scenario 1	Calculation for the period	Performance fee amount
<b>Performance below the benchmark</b>		
For the last Business Day of month 1, assume: the Fund's return for the Performance Fee Period is 5% and the benchmark is 10%.	The Fund's return relative to the benchmark for the Performance Fee Period is: $5\% - 10\% = -5\%$ The negative performance fee amount for the period is calculated as: $\$50,000 \times 20\% \times -5\% = -\$500$	-\$500 No performance fee is payable and the negative amount will be carried forward and offset against future positive Performance Fee Periods.
<b>Performance above the benchmark and carried forward under performance</b>		
For the last Business Day of month 2, assume: the Fund's return for the Performance Fee Period is 7% and the benchmark is 4%.	The Fund's return relative to the benchmark for the Performance Fee Period is: $7\% - 4\% = 3\%$ The performance fee amount for that period is calculated as: $\$50,000 \times 20\% \times 3\% = \$300$	\$300 plus -\$500 carried forward from the previous Performance Fee Period equals -\$200. No performance fee is payable as the positive performance fee amount from this Performance Fee Period of \$300, did not exceed the negative amount carried forward from the prior Performance Fee Period of -\$500. This amount of -\$200 will be carried forward and offset against future positive Performance Fee Periods.
Scenario 2	Calculation for the period	Performance fee amount
<b>Performance above the benchmark</b>		
For the last Business Day of a month, assume: the Fund's return for the Performance Fee Period is 2.5% and the benchmark is 2%.	The Fund's return relative to the benchmark for the Performance Fee Period is: $2.5\% - 2\% = 0.5\%$ The performance fee amount for that period is calculated as: $\$50,000 \times 20\% \times 0.5\% = \$50$	A performance fee of \$50 is payable as the Fund outperformed the benchmark. No amount is carried forward to the next Performance Fee Period.

The above scenarios are provided for illustrative purposes only and do not represent any projection or indication of the future performance of the Fund. The Responsible Entity does not provide any assurance that the Fund will achieve the performance used in this example and returns are not guaranteed.

## Transaction costs

Transaction costs are generally incurred when the assets in the Fund are changed or the Fund experiences cash flow into or out of the Fund and are not included in the management fees and costs. The transaction costs shown in the 'Fees and costs summary' are net of any amount recovered by the buy/sell spread that is charged by the Responsible Entity.

They include costs such as brokerage, exchange fees, clearing costs and applicable stamp duty. Transaction costs are paid out of the assets of the Fund as and when incurred and are an additional cost to unitholders to the extent not recovered through the buy/sell spread.

The estimated total transaction costs and the estimated net transaction costs for the current financial year for the Fund will be:

Estimated total transaction costs p.a. of the NAV of the Fund <sup>1</sup>	Estimated recovery amount p.a. of the NAV of the Fund <sup>1</sup>	Estimated net transaction costs p.a. of the NAV of the Fund <sup>1</sup>
0.28%	0.33%	0.00%

1. The estimated transaction costs are based on the previous financial year ending 30 June 2024.



## Member activity related fees and costs

The member activity related fees and costs for the Fund include the buy/sell spread.

### Buy/sell spread

A buy/sell spread will generally be applied to applications and withdrawals and reflected in the Fund's entry and exit unit price. This aims to ensure that other unitholders aren't impacted by the transaction costs associated with a particular unitholder buying or selling units in the Fund.

The Responsible Entity has the discretion to waive the buy/sell spread on applications or withdrawals where no transaction costs are incurred.

The buy/sell spread will impact the return on your investment and is an additional cost to you. However, as it is built into the Fund's unit price, it won't be recorded separately on investor statements. There is no buy/sell spread applied to the reinvestment of distributions. The buy/sell spread is not paid to the Responsible Entity as it is retained in the Fund to offset the actual expenses incurred in the buying or selling of assets. The Responsible Entity may vary the buy/sell spread from time to time and prior notice will not normally be provided to you. Updated information can be obtained from First Sentier Investors' website at [www.firstsentierinvestors.com.au](http://www.firstsentierinvestors.com.au).

Estimated transaction costs, which are used to determine the buy/sell spreads, are reviewed regularly. The buy/sell spreads are current as at the Issue Date of this PDS, however they may increase or decrease during the life of this PDS. Any updates from time to time will be available on First Sentier Investors' website.

### Borrowing costs

Borrowing costs are costs associated with borrowing money or securities such as interest and securities borrowing fees. The Fund may incur borrowing costs when borrowing securities when engaged in short selling from the Prime Broker. These borrowing costs are paid to the Prime Broker out of the assets of the Fund and are built into the Fund's unit price.

Borrowing costs for the Fund are estimated at 0.872% p.a.<sup>3</sup> of the NAV of the Fund. The percentage of the Fund's NAV that may be held in short positions is limited to 30%. The borrowing costs for the Fund are estimated to be \$436 on an account balance of \$50,000, where 30% of the portfolio is held in short positions.

### Negotiable fees

The law allows us to negotiate, rebate or waive all or part of the management fees with 'wholesale clients' (as defined by the Corporations Act). We generally do not negotiate fees. However, the Responsible Entity may negotiate investment management and/or performance fees with wholesale clients on a case-by-case basis. The Responsible Entity does not negotiate fees with retail investors or individual platform investors. Please contact Investor Services on 1300 553 490 for more information.

## Maximum fees and charges

The maximum fees for the Fund under the Constitution are set out in the table below.

Maximum Management Fee (% p.a.) of Gross Asset Value of the Fund <sup>1</sup>	Maximum Performance Fee (% p.a.)
3.00%	25% multiplied by the difference between the Fund's performance (measured as the daily change in NAV per unit, with adjustments) and the daily change of the benchmark multiplied by the Fund's NAV from the previous Business Day (adjusted for any distributions and excluding accrued performance fees).

1. Exclusive of GST.

### Increases or alterations to fees and costs

The Responsible Entity has the right to increase its fees as shown in the 'Fees and costs summary' of this PDS, up to the limit set out in the Constitution, without your consent where the Responsible Entity has given you or your Service Operator at least 30 days' prior written notice.

### Distribution fees

Subject to law, the Responsible Entity or Investment Manager may make non-volume based product access payments to Service Operators who distribute the Fund on their investment menu. Where allowable by law, the Investment Manager may also make payments to Service Operators and dealer groups for their marketing support. If these payments are made, they are made by the Investment Manager out of its own resources and they are not an additional cost to you.

### Benefits received

A component of bundled brokerage paid by relevant funds managed by the Investment Manager is passed on to a third party provider and held in a commission sharing account that is used to pay for investment research. The Investment Manager may use this for any investment purpose, including for relevant funds managed by the Investment Manager.

<sup>3</sup> The estimated borrowing costs have been determined by the average borrowing costs paid by the Fund (adjusted to reflect a 12-month period) over the last financial year ending 30 June 2024 and is not a forecast of any future borrowing costs.



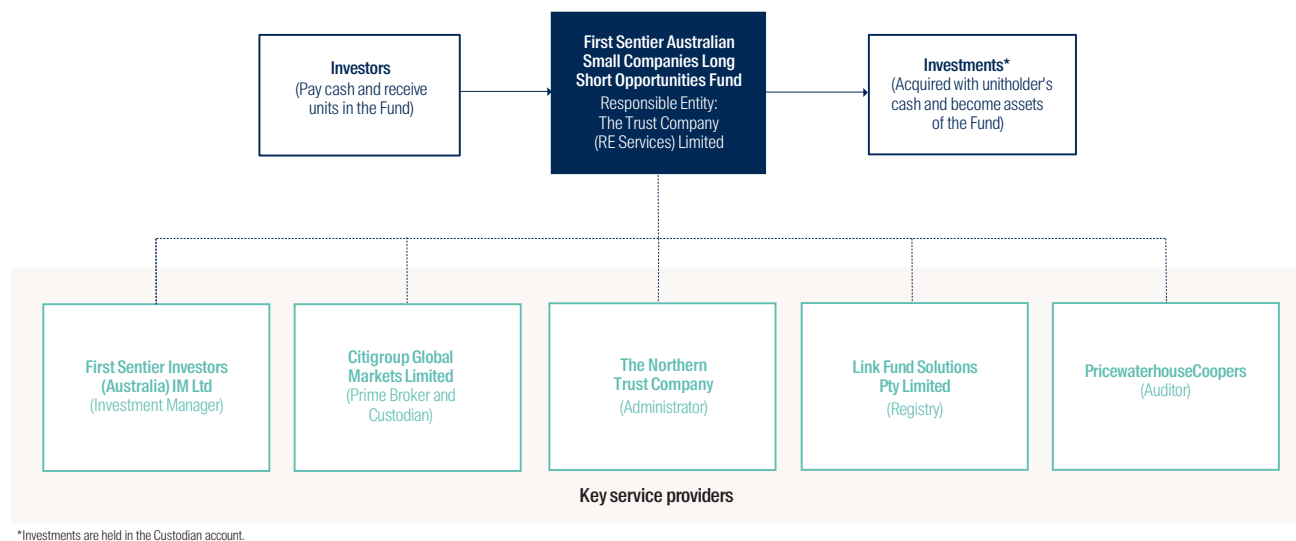
## 9. How the Fund works

### Fund structure

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

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

The following diagram shows the Fund's structure, including the key service providers and the flow of investment money.



### Key service providers

The Responsible Entity has appointed a number of key service providers that are involved in the ongoing operation of the Fund. All service providers are unrelated to the Responsible Entity. A summary of the Fund's key service providers is provided below:

Service provider	Role	Jurisdiction	Description
First Sentier Investors (Australia) IM Ltd	Investment Manager	Australia	First Sentier Investors (Australia) IM Ltd is the Investment Manager of the Fund and agrees to provide investment management services for the Fund in accordance with the IMA and the investment strategy set out in this PDS.
Citigroup Global Markets Limited ( <b>Citigroup</b> )	Custodian and Prime Broker	United Kingdom	Citigroup has been appointed as the prime broker and custodian of the Fund. A prime broker is integral to the execution of a long short strategy. Citigroup, as custodian provides clearing and settlement services in relation to the Fund's securities and holds the Fund's assets. Citigroup appoints a local sub-custodian in Australia and New Zealand to hold custody of the Fund's assets. The Responsible Entity (not the custodian) is the operator of the Fund. The services which Citigroup will provide under the Prime Broker Agreement include various custodial services, securities lending, clearance and settlement of securities transactions. Citigroup will have no discretion relating to the investment of assets of the Fund and will not provide any investment advice in relation to the assets of the Fund. Citigroup acts as the securities lender by providing securities that can be borrowed when implementing the Fund's short strategy. Securities are lent out at a predetermined rate which is reviewed on a regular basis.
The Northern Trust Company ( <b>Northern Trust</b> )	Administrator	Australia	Northern Trust has been appointed as administrator for the Fund. Northern Trust undertakes functions including portfolio valuation and investment accounting for the Fund.
Link Fund Solutions Pty Limited ( <b>Link</b> )	Registry	Australia	Link has been appointed as unit registry for the Fund. Link will undertake functions including processing of investor instructions, managing the unit registry, arranging for the issue and withdrawal of units and producing and distributing the investor, regulatory and tax reporting for the Fund.
PricewaterhouseCoopers ( <b>PwC</b> )	Auditor	Australia	PwC has been appointed as the independent auditor of the Fund's financial statements.

The Responsible Entity has in place procedures for selecting, monitoring and reviewing the performance of its key service providers as well as any delegations made by such service providers. These key service providers are subject to change at any time, and in some cases without prior notice to unitholders. We will inform unitholders of any material changes to service providers in the next regular communication or otherwise, as required by law.

## Direct investors

You can invest in the Fund directly by completing an initial application form along with the necessary identification documents. For certain investor types, an online application process is also available at [www.firstsentierinvestors.com.au](http://www.firstsentierinvestors.com.au). Please see section 11 'How to apply' in this PDS for more information.

## Indirect investors

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

## Units in the Fund

The Fund's NAV is calculated in accordance with the Constitution of the Fund.

Generally, the unit price is calculated each Business Day for the preceding Business Day. The unit price is calculated by taking the total market value of the assets of the Fund less the total value of the liabilities of the Fund (including any adjustments for transaction costs), divided by the total number of units on issue at the relevant valuation time.

The Responsible Entity determines the unit price of the Fund based on the most recent valuation of assets, property and liabilities (which are determined at regular intervals appropriate to the nature of such assets, property and liabilities). The Fund's unit price will change as the market value of assets in the Fund rises or falls. There may be a difference between the entry and exit unit price for the Fund quoted on any Business Day which is referred to as the buy/sell spread. The buy/sell spread is applied to ensure that other unitholders aren't impacted by the transaction costs associated with a particular unitholder buying or selling units in the Fund.<sup>4</sup>

Unit prices will be available at [www.firstsentierinvestors.com.au](http://www.firstsentierinvestors.com.au). The Responsible Entity has a documented unit pricing policy (Unit Pricing and Valuation Policy) in relation to the guidelines

and relevant factors taken into account when calculating unit prices, including all transaction costs and buy/sell spread. You can obtain a copy of the Unit Pricing and Valuation Policy, and records of any exercise of such discretions under the Unit Pricing and Valuation Policy, free of charge, by contacting the Responsible Entity or First Sentier Investors.

## Minimum investment amount

The minimum initial investment for direct investors is \$20,000.<sup>5</sup> No minimum additional investment requirement applies. Indirect investors should refer to their Service Operator's disclosure documents for minimum investment requirements.

## Minimum account balance

The minimum account balance is \$20,000. The Responsible Entity reserves the right to waive this requirement and allow for balances below \$20,000.

## Applications

To make an initial application, please complete the initial application form or online application process (as applicable), provide the relevant identification documents (as required) and make payment in accordance with the payment instructions provided.

You can make additional applications by completing an additional application form which is available from the Registry on request (by contacting Investor Services) and should be sent to the Registry for processing.

The Responsible Entity can accept or reject any application for units at its discretion and is not required to give any reason or grounds for such a refusal. The Registry will not process any application that is incomplete or that is not accompanied by the required identification documents or payment of application money.

The Constitution allows the Fund to borrow and borrowing may occur in the operational management of the Fund.

Please refer to the 'Suspensions' section for details regarding when the Responsible Entity can suspend the acceptance of an application for units.

For indirect investors, you must complete the documentation which your Service Operator requires.

## About your application money

Application money will be held in a non-interest bearing bank account until invested in the Fund or returned to you. Once your application has been accepted, the monies held will be divided by the next determined unit price to calculate the number of units in the Fund allocated to you.

## Payment options

For applications made through a Service Operator, the payment options will depend on the requirements of the relevant Service Operator.

For applications lodged directly with the Registry, please refer to the application form or online application process (as applicable) for payment options.

<sup>4</sup> Refer to section 8 'Fees and other costs' for the Fund's buy/sell spread.

<sup>5</sup> We may accept amounts less than the minimum at our discretion if we are satisfied the applicant otherwise qualifies to invest with us.

## Incomplete or rejected applications

The Responsible Entity accepts no responsibility for applications that have been sent to an incorrect address or for funds that are paid to an incorrect account. You (or your Service Operator) are responsible for ensuring that the application is completed correctly and contains the correct contact details. Your application may be delayed or not processed if you:

- do not provide the information requested;
- provide incomplete or inaccurate information;
- send your application to an incorrect address;
- pay your application money to the wrong bank account; or
- pay an application amount that varies from the information provided.

The Responsible Entity will not be liable to any prospective investor for any losses incurred, including from market movements, if an application is rejected or the processing of an application is delayed.

## Transferring your units

You can generally transfer some or all of your investment to another person in such a manner and subject to such conditions as required by law or the Constitution, or that the Responsible Entity, from time to time, prescribes. The Responsible Entity is not obligated to register a transfer that does not meet these conditions.

The Responsible Entity recommends that you obtain your own professional advice regarding your position before transferring some or all of your investment, as tax and social security laws are complex and subject to change, and unitholders' individual circumstances vary. Please contact the Responsible Entity for further information about transferring units.

For indirect investors, you should contact your Service Operator if you wish to transfer your units.

## Withdrawals

You may request to withdraw some or all of your units from the Fund by submitting a withdrawal form, which is available from the Registry on request (by contacting Investor Services) and should be sent to the Registry for processing.

No minimum withdrawal amount applies. Should the withdrawal bring your account balance below \$20,000, the Responsible Entity reserves the right to assume and facilitate a full withdrawal of your account. While the Fund is liquid, withdrawals will usually be paid to your nominated bank account within 7 Business Days. However, the Constitution allows the Responsible Entity up to 21 days to pay withdrawal requests after the next valuation time following receipt of the withdrawal request.

If withdrawals are suspended or restricted, withdrawal requests may not be processed within the usual period. Any decisions whether to process withdrawals or partial withdrawals will be made in the best interests of unitholders as a whole and in accordance with the Constitution and Corporations Act. Please refer to the 'Suspensions' section for details regarding when the Responsible Entity can suspend withdrawals.

For indirect investors, you should contact your Service Operator if you wish to withdraw units.

In certain circumstances set out in the Constitution, the Responsible Entity may withdraw your units without a withdrawal request.

## Restrictions on withdrawals

Under the Constitution, there are certain restrictions in relation to a unitholder's right to withdraw from the Fund. For example, in the unlikely event that more than 20% of the Fund at a time was the subject of withdrawal requests, the requests could be staggered.

If the Fund is not liquid under the Corporations Act, withdrawals from the Fund will only be possible if the Responsible Entity makes a withdrawal offer in accordance with the Corporations Act. The Responsible Entity is not obliged to make such an offer. However, if the Responsible Entity does make such an offer you are only able to withdraw your investment in accordance with the terms of a current withdrawal offer. If an insufficient amount of money is available from the assets specified in the withdrawal offer to satisfy withdrawal requests, the requests will be satisfied proportionately amongst those unitholders wishing to withdraw from the Fund. Under the Corporations Act, the Fund is regarded as liquid if liquid assets account for at least 80% of the value of the assets of the Fund. Liquid assets generally include money in an account or on deposit with a bank, bank-accepted bills, marketable securities and property of the kind prescribed under the Corporations Act.

Please refer to the 'Suspensions' section for details regarding when the Responsible Entity can suspend withdrawals.

The Responsible Entity will provide written notice to unitholders in the event of any material changes to their withdrawal rights (including if withdrawal rights are to be suspended).

## Suspensions

The Responsible Entity may at any time suspend the acceptance of applications, withdrawal requests, the withdrawal of units and/or the payment of withdrawal amounts if the Responsible Entity believes that it is in the best interest of unitholders as a whole if:

- it is desirable for the protection of the Fund;
- the Responsible Entity reasonably estimates that it must sell 5% or more of the assets of the Fund to meet a withdrawal request;
- it suspects or is advised that payment of a withdrawal amount may result in a contravention of Anti-Money Laundering (AML) requirements;
- any relevant financial, stock, bond, note, derivative or foreign exchange market (including the ASX) is closed or trading on any such market is restricted in any way; or
- an emergency (including an emergency caused by a mechanical or electronic malfunction) or such other circumstances exist and as a result:
  - it is not reasonably practicable for the Responsible Entity to acquire or dispose of assets of the Fund or determine the application or withdrawal price fairly;
  - the ability of the Responsible Entity to acquire or dispose of assets of the Fund or determine the application or withdrawal price fairly is, or may be, significantly adversely affected; or
  - sufficient assets of the Fund cannot be realised at an appropriate price in a timely manner or on adequate terms or otherwise.

The Responsible Entity will notify members in the event it decides to suspend the acceptance of withdrawal requests from the Fund.

A withdrawal request lodged during a period of suspension will be deemed to have been received immediately after the period of suspension and withdrawing unitholders will receive the next

calculated unit price.

Generally, the Responsible Entity pays withdrawal proceeds to your bank account. In certain circumstances the Responsible Entity is permitted under the Constitution to pay withdrawal proceeds in kind (i.e. in specie) to unitholders.

## Processing applications and withdrawals

Units are generally issued after the application has been accepted and the application money has been received by the Registry on behalf of the Responsible Entity. The cut-off time for receipt of applications and withdrawal requests by the Registry is 2pm on any Business Day and for applications, cleared funds should be received by the close of business on the same Business Day. Units will be issued for that Business Day, using the unit price next calculated after 2pm for the applicable Business Day. Requests received after the cut-off time of 2pm on a Business Day will generally be treated as having been received before the cut-off time on the next Business Day.

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

## Distributions

The Fund intends to pay distributions half-yearly. The distributions are calculated based on the Fund's distributable income at the end of the distribution period and paid to the unitholders in proportion to their unitholding. Unitholders can elect to have distributions paid into their nominated Australian bank account or have it reinvested in units. There is no buy/sell spread applied to the reinvestment of distributions. The issue of units in respect of a reinvested distribution will be at the ex-distribution unit price as at the last day of the calendar month of the distribution period.

## Reporting and continuous disclosure

The Fund will, as applicable, be subject to certain reporting and ongoing disclosure obligations. Unitholders will receive (as applicable) copies of the following reports with respect to their unitholdings:

- transaction confirmation for their initial investment and all subsequent transactions;
- periodic transaction statements;
- attribution managed investment trust (AMIT) member annual statement (AMMA Statement);
- annual tax statement;
- AMIT distribution statement; and
- exit statement.

Unitholders investing via a Service will receive reporting from their Service Operator and unitholders investing directly can access reporting via the investor portal or request copies from the Registry and/or Investment Manager.

To comply with RG 240: ASIC Benchmark 2: Periodic reporting, the Responsible Entity provides periodic reporting on certain information. Please see section 2 'ASIC benchmarks and disclosure principles' for more information.

In addition, copies of the following will be available for the Fund on First Sentier Investors' website at [www.firstsentierinvestors.com.au](http://www.firstsentierinvestors.com.au), by contacting the Responsible Entity or may be obtained from, or inspected at, an ASIC office (as applicable):

- the annual financial reports most recently lodged with ASIC;
- any half-yearly financial reports lodged with ASIC after the lodgement of the aforementioned annual report;

- managed investment trust (MIT) fund payment notices and AMIT deemed payment and dividend, interest and royalty payment notices;
- any continuous disclosure notices given by the Fund after the date of lodgement of the aforementioned annual report; and
- any ongoing disclosure of material changes and significant events.

Unitholders investing via a Service will receive Fund information from their Service Operator and unitholders investing directly will receive Fund information from First Sentier Investors.

## 10. How managed investment schemes are taxed

The purpose of this summary is to explain, in general terms, some of the Australian tax consequences of investing in the Fund. It does not consider the specific circumstances of a unitholder that may invest in the Fund and should not be used as the basis upon which a potential unitholder decides whether or not to invest in the Fund.

The taxation implications of investing in the Fund are particular to a unitholder's circumstances. A prospective investor should seek professional taxation advice before investing, or dealing with their investment, in the Fund. Nothing contained in this PDS should be construed as the giving of, or be relied upon, as tax advice.

### Goods and Services Tax

No GST should be payable in relation to the acquisition, disposal, withdrawal or transfer of units in the Fund, nor any distributions made in respect of the units held by a unitholder in the Fund.

However, GST will likely apply to fees and any reimbursement of costs charged to the Fund. Where the Fund is registered for GST, it should be entitled to claim ITCs or RITCs (being 55% or 75% of the GST paid) depending on the type of fee or cost.

Unless otherwise stated, all fees and costs are quoted inclusive of GST and net of any ITCs or RITCs as applicable.

### Attribution Managed Investment Trusts

The AMIT regime, in broad terms, applies to a MIT whose unitholders have clearly defined interests in relation to the income and capital of the trust and the trustee or responsible entity of the MIT has made an irrevocable election to apply the regime.

The Responsible Entity intends to or has already made the election for the Fund to operate as an AMIT. Accordingly, where such an election has been made and provided that the Fund continues to satisfy the requirements to be an AMIT and the unitholders of the Fund are attributed all of the determined trust components of the Fund, the Responsible Entity should not, itself, be subject to Australian tax.

The AMIT rules contain several provisions that will impact on the taxation treatment of the Fund. The key features include:

- an attribution model for determining member tax liabilities, which also allows amounts to retain their tax character as they flow through a MIT to its unitholders. Australian resident unitholders would therefore be taxed on the tax components of the Fund that are attributed to them each year. Non-resident unitholders may have tax withheld from distributions by the Responsible Entity of the Fund. The rate of withholding will depend on the type of income distributed or attributed and the country of residence of a unitholder;



- the ability to carry forward certain understatements and overstatements of taxable income instead of re-issuing investor statements;
- deemed fixed trust treatment under the income tax law;
- certain upwards cost base adjustments to units to address double taxation; and
- legislative certainty about the treatment of tax deferred distributions.

## Taxation of the Fund

We intend to manage the Fund so that the Responsible Entity of the Fund is not subject to Australian income tax.

We do not expect the Responsible Entity of the Fund to be subject to tax on the net taxable income of the Fund (other than in relation to withholding tax on foreign income or other taxes in respect of non-resident unitholders) as we intend that:

- when the Fund is an AMIT: all taxable income of the Fund will be 'attributed' to unitholders on a 'fair and reasonable' basis in each financial year and will be reflected in the AMMA statement provided to unitholders; and
- when the Fund is not an AMIT: unitholders will continue to be presently entitled to all the income of the Fund in each financial year and an investor's share of the net taxable income of the Fund will be reflected in the tax statement provided to the unitholders.

## Disposal of units in the Fund

The transfer or withdrawal (i.e. redemption) of a unit in the Fund would be a capital gains tax event for Australian tax purposes, which may result in the unitholder recognising a capital gain or capital loss.

## Tax File Numbers/Australian Business Numbers

The Responsible Entity of the Fund has an obligation to withhold tax on distributions to unitholders that have not provided a Tax File Number, Australian Business Number or proof of a relevant exemption.

## Australian Tax Reform

Reforms to the taxation of trusts are generally ongoing. Unitholders should seek their own advice and monitor the progress of announcements and proposed legislative changes on the potential impact.

## US Tax Withholding and Reporting under the Foreign Account Tax Compliance Act

The United States of America has introduced rules (known as **FATCA**) which are intended to prevent US persons from avoiding tax. Broadly, the rules, together with Australian implementing rules, require 'Financial Institutions' such as the Fund to report information regarding certain accounts (which may include your units in the Fund) to the Australian Taxation Office (**ATO**), which may then pass the information on to the US Internal Revenue Service.

To comply with these obligations, the Responsible Entity will collect certain information about you and undertake certain due diligence procedures to verify your FATCA status and, if required, provide information to the ATO in respect of your investment in the Fund.

If you do not provide this information the Registry will not be able to process your application. Unitholders may be required to provide certain information on request. FATCA also imposes a withholding tax in certain circumstances.

## Common Reporting Standard

The Australian Government has implemented the OECD Common Reporting Standard for the Automatic Exchange of Financial Account Information (**CRS**). CRS, like the FATCA regime, requires Financial Institutions to report information regarding certain accounts to the ATO and follow related due diligence procedures.

The Fund is a 'Financial Institution' under the CRS and the Fund intends to comply with its CRS obligations by obtaining and reporting information on relevant accounts (which may include your units in the Fund) to the ATO. For the Fund to comply with its obligations, the Registry will request that you provide certain information and certifications. Unitholders may be required to provide certain information on request. The Registry will determine whether the Fund is required to report your details to the ATO based on their assessment of the relevant information received.

The ATO may provide this information to other jurisdictions that have signed a relevant "CRS Competent Authority Agreement", that provides the mechanism to facilitate the automatic exchange of information in accordance with the CRS. The Australian Government has enacted legislation amending, among other things, the Taxation Administration Act 1953 of Australia to give effect to the CRS.

## 11. How to apply

### Direct investors

Before completing the application, please read all of the information in this PDS and the TMD. The PDS and TMD are available from the First Sentier Investors website at [www.firstsentierinvestors.com.au](http://www.firstsentierinvestors.com.au).

You can invest in the Fund directly by completing an initial application form along with the necessary identification documents and making payment in accordance with the payment options provided.

The initial application form is available from the Registry on request (by contacting Investor Services) and should be sent to the Registry for processing.

For certain investor types, an online application process is also available at [www.firstsentierinvestors.com.au](http://www.firstsentierinvestors.com.au).

Applications must be accompanied by the necessary identification documents and payment made in accordance with the payment instructions provided.

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

### Indirect investors

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

### Restrictions on applications

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

## 12. Other information

### Cooling-off period

If you are a retail investor, you are entitled to a 14 day cooling-off period for the initial investment in the Fund. No cooling-off rights apply if you are a wholesale client or investing via a Service.

If you decide that your initial investment in the Fund does not suit your needs for any reason, you can submit a request in writing to have your investment cancelled within 14 days starting from the time when you receive confirmation of your investment or the end of the 5<sup>th</sup> Business Day after your units are issued, whichever is earlier. Such request must be sent to the Registry. The amount we refund will be the original amount invested, adjusted to take into account any increase or decrease in the value of your investment, any tax or duty that may have been payable and reasonable administrative and transaction costs.

You will not be able to exercise any cooling-off rights once you have exercised any right or power in respect of your investment in the Fund.

### Privacy

The Registry on behalf of the Responsible Entity may collect personal information from you during the application process to administer your investment and comply with any relevant laws. If you do not provide the Responsible Entity with your relevant personal information, we will not be able to do so. In some circumstances we may disclose your personal information to the Responsible Entity's related entities or service providers that perform a range of services on our behalf and which may be located overseas.

Privacy laws apply to the Responsible Entity's handling of personal information and it will collect, use and disclose your personal information in accordance with its privacy policy, which includes details about the following matters:

- the kinds of personal information the Responsible Entity collects and holds;
- how the Responsible Entity collects and holds personal information;
- the purposes for which the Responsible Entity collects, holds, uses and discloses personal information;
- how you may access personal information that the Responsible Entity holds about you and seek correction of such information (note that exceptions apply in some circumstances);
- how you may complain about a breach of the Australian Privacy Principles (APP), or a registered APP code (if any) that binds us, and how the Responsible Entity will deal with such a complaint; and
- whether the Responsible Entity is likely to disclose personal information to overseas recipients and, if so, the countries in which such recipients are likely to be located if it is practicable for it to specify those countries.

The Responsible Entity's privacy policy is publicly available at [www.perpetual.com.au](http://www.perpetual.com.au) or you can obtain a copy free of charge by contacting the Responsible Entity. First Sentier Investors' Privacy Notice is available at [www.firstsentierinvestors.com.au](http://www.firstsentierinvestors.com.au).

If you invest indirectly through a Service Operator, the Responsible Entity does not collect or hold your personal information in connection with your investment in the Fund. Please contact your Service Operator for more information about their privacy policy.

## Anti-Money Laundering and Counter Terrorism Financing

The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (**AML Act**) and other applicable anti-money laundering and counter terrorism laws, regulations, rules and policies which apply to the Responsible Entity (**AML Requirements**), regulate financial services and transactions in a way that is designed to detect and prevent money laundering and terrorism financing. The AML Act is enforced by the Australian Transaction Reports and Analysis Centre (**AUSTRAC**). In order to comply with the AML Requirements, the Responsible Entity is required to, amongst other things:

- verify your identity and source of your application monies before providing services to you, and to re-identify you if it considers it necessary to do so; and
- where you supply documentation relating to the verification of your identity, keep a record of this documentation for 7 years.

The Responsible Entity and any agent acting on its behalf reserve the right to request such information as is necessary to verify your identity and the source of the payment. In the event of delay or failure by you to produce this information, the Responsible Entity may refuse to accept an application and the application monies relating to such application or may suspend the payment of withdrawal proceeds if necessary to comply with AML Requirements applicable to it. Neither the Responsible Entity nor its agents shall be liable to you for any loss suffered by you because of the rejection or delay of any subscription or payment of withdrawal proceeds.

The Responsible Entity has implemented several measures and controls to ensure it complies with its obligations under the AML Requirements, including carefully identifying and monitoring unitholders. Because of the implementation of these measures and controls:

- transactions may be delayed, blocked, frozen or refused where the Responsible Entity has reasonable grounds to believe that the transaction breaches the law or sanctions of Australia or any other country, including the AML Requirements;
- where transactions are delayed, blocked, frozen or refused the Responsible Entity or its agents are not liable for any loss you suffer (including consequential loss) caused by reason of any action taken or not taken by them as contemplated above, or because of the Responsible Entity's compliance with the AML Requirements as they apply to the Fund; and
- the Responsible Entity or any agents acting on its behalf may from time to time require additional information from you to assist it in this process.

The Responsible Entity has certain reporting obligations under the AML Requirements and is prevented from informing you that any such reporting has taken place. Where required by law, the Responsible Entity may disclose the information gathered to regulatory or law enforcement agencies, including AUSTRAC. Neither the Responsible Entity nor its agents are liable for any loss you may suffer because of the Responsible Entity's compliance with the AML Requirements.

## Consents

The Investment Manager, Northern Trust, Link, Citigroup, and PwC have given consent, which has not been withdrawn as at the Issue Date, to being named in the form and context in which they are named and the statements about them in the form and context they appear in the PDS.

## Enquiries and complaints

If you have any enquiries regarding the Fund, please contact Investor Services at 1300 553 490 for more information.

The Responsible Entity has established procedures for dealing with complaints. If an investor has a complaint, they can contact the Responsible Entity and/or Investor Services during business hours, using the contact details provided in this PDS. We will endeavour to resolve your complaint fairly and as quickly as we can. We will respond to your complaint within the maximum response timeframe of 30 days. If we are unable to respond within the maximum response time because we have not had a reasonable opportunity to do so, we will write to you to let you know of the delay.

All investors (regardless of whether you hold units in the Fund directly or hold units indirectly via a Service Operator) can access the Responsible Entity's complaints procedures outlined above. If investing via a Service Operator and your complaint concerns the operation of the Service Operator then you should contact the Service Operator directly. If an investor is not satisfied with the final complaint outcome proposed, any aspect of the complaints handling process or a delay in responding by the maximum response time, the Australian Financial Complaints Authority (**AFCA**) may be able to assist. AFCA operates the external complaints resolution scheme of which the Responsible Entity is a member. If you seek assistance from AFCA, their services are provided at no cost to you.

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

Australian Financial Complaints Authority Limited  
GPO Box 3  
Melbourne VIC 3001  
Email: [info@afca.org.au](mailto:info@afca.org.au)  
Website: [www.afca.org.au](http://www.afca.org.au)



## Terms used in this PDS

**Administrator or Northern Trust** – The Northern Trust Company ABN 62 126 279 918.

**AFCA** – Australian Financial Complaints Authority.

**Agreement** – Broker's Prime Broking Agreement or Securities Lending Agreement.

**AMIT** – Attribution Managed Investment Trust.

**AMMA Statement** – AMIT member annual statement.

**AML** – Anti-Money Laundering.

**AML Act** – *Anti-Money Laundering and Counter-Terrorism Financing Act 2006*.

**AML Requirements** – obligations under the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* and other regulations, rules and policies which apply.

**APP** – Australian Privacy Principles.

**ASIC** – Australian Securities & Investments Commission.

**ASX** – Australian Securities Exchange, being the financial market operated by ASX Limited ABN 98 008 624 691.

**ATO** – Australian Taxation Office.

**Auditor or PwC** – PricewaterhouseCoopers.

**AUSTRAC** – Australian Transaction Reports and Analysis Centre.

**Broker** – prime broker.

**Business Day** – any day other than a Saturday, Sunday or public holiday on which banks are open for general banking business in New South Wales.

**Citigroup, Prime Broker or Custodian** – Citigroup Global Markets Limited.

**Compliance Plan** – outlines the measures the Responsible Entity will apply in operating the Fund to ensure the Fund operates in compliance with the Constitution and the Corporations Act.

**Constitution** – the constitution of the Fund, as amended from time to time.

**Corporations Act** – Corporations Act 2001 (Cth).

**CRS** – OECD Common Reporting Standards.

**ESG** – environmental, social and governance.

**FATCA** – Foreign Account Tax Compliance Act.

**Fund** – First Sentier Australian Small Companies Long Short Opportunities Fund ARSN 658 022 238.

**GST** – goods and services tax as defined in the *A New Tax System (Goods and Services Tax) Act 1999 (Cth)* as amended from time to time.

**IMA** – The investment management agreement between The Trust Company (RE Services) Limited and First Sentier Investors (Australia) IM Ltd dated 26 February 2021 under which First Sentier Investors (Australia) IM Ltd is appointed as investment manager of the Fund, as may be amended from time to time.

**Investment Manager or First Sentier Investors** – First Sentier Investors (Australia) IM Ltd ABN 89 114 194 311, AFSL 289017.

**Investment team** – First Sentier Australian Small and Mid

Cap Companies investment team.

**Investor Directed Portfolio Service (IDPS)** – or IDPS-like scheme or a nominee or custody service (collectively referred to as master trusts or wrap accounts), refers to a service that allows a person to access the Fund indirectly.

**ITCs** – Input Tax Credits as defined in the *A New Tax System (Goods and Services Tax) Act 1999 (Cth)*, as amended from time to time.

**MIT** – managed investment trust.

**MUFG** – Mitsubishi UFJ Financial Group, Inc. the ultimate owner of the Investment Manager.

**Negative Cumulative Performance Fee** – if at the end of a Performance Fee Period the cumulative performance fee accrued is negative, no performance fee will be payable and the negative accrual will be carried forward to the next Performance Fee Period.

**Net Asset Value (NAV)** – the total value of the assets less the total value of the liabilities determined in accordance with the Constitution.

**PDS** – this Product Disclosure Statement.

**Performance Fee Period** –

- for the first performance fee period, the period commencing on the date the Fund commences to the last day of the calendar month in which the Fund commences;
- for the last performance fee period, the period commencing on the first day of the calendar month in which the Fund terminates to the day the Fund terminates; and
- for all other periods, the relevant calendar month.

**Perpetual** – Perpetual Limited ABN 86 000 431 827.

**Registry or Link** – Link Fund Solutions Pty Limited ABN 44 114 914 215.

**Responsible Entity, our, we or us** – The Trust Company (RE Services) Limited ABN 45 003 278 831, AFSL 235150.

**RG 240** – ASIC Regulatory Guide 240: Hedge Funds: Improving Disclosure.

**RITCs** – Reduced Input Tax credits as defined in the *A New Tax System (Goods and Services Tax) Act 1999 (Cth)*, as amended from time to time.

**Transferred Assets** – transfer of assets by the Fund to the relevant Broker.

**Service** – IDPS, IDPS-like scheme, a nominee or custody service or any other trading platform authorised by the Responsible Entity.

**Service Operator** – the operator of a Service.

**SRM** – Standard Risk Measure based on Australian Prudential Regulation Authority guidance and Standard Risk Measure Guidance Paper For Trustees issued July 2011 by the Financial Services Council and The Association of Superannuation Funds of Australia.

**TMD** – Target Market Determination prepared for the Fund in accordance with the Design and Distribution Obligations regime (requirements of Part 7.8A of the Corporations Act).

**Unit Pricing and Valuation Policy** – the Responsible Entity's documented unit pricing policy.