

MCG Endowment Strategy Fund

Product Disclosure Statement

ARSN 124 225 734
APIR SLT0010AU
Issue Date 22 November 2022

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This Product Disclosure Statement ("PDS") was issued on 22 November 2022. This PDS is for the offer of interests in the MCG Endowment Strategy Fund (ARSN 124 225 734) (referred throughout this PDS as the "Fund").

The PDS has been prepared and issued by Equity Trustees Limited (ABN 46 004 031 298, Australian Financial Services Licence ("AFSL") No. 240975) in its capacity as the Responsible Entity of the Fund (referred throughout this PDS as the "Responsible Entity", "Equity Trustees", "us" or "we"). The fund manager is PMCG Pty Limited trading as MCG Wealth Management (referred to throughout this PDS as "MCG", "MCG Wealth" or the "Fund Manager").

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

The Responsible Entity has authorised the use of this PDS for the Fund as disclosure to investors and prospective investors of an investor directed portfolio service, master trust, wrap account or an investor directed portfolio service-like scheme ("IDPS"). This PDS is available for use by persons applying for units in the Fund through an IDPS ("Indirect Investors"). The operator of an IDPS is referred to in this PDS as the 'IDPS Operator' and the disclosure document for an IDPS is referred to as the 'IDPS Guide'. If you invest through an IDPS, your rights and liabilities will be governed by the terms and conditions of the IDPS Guide. Investors should carefully read the terms and conditions before investing in the Fund. Indirect Investors should note that you are directing the IDPS Operator to arrange for your money to be invested in the Fund on your behalf. Indirect Investors do not become unit holders in the Fund or have the rights of unit holders. The IDPS Operator becomes the unit holder in the Fund and acquires these rights. The IDPS Operator can exercise or decline to exercise the rights of a unit holder on your behalf according to the arrangement governing the IDPS. Indirect Investors should refer to the IDPS Guide for information relating to their rights and responsibilities as an investor through the IDPS, including information on any fees and charges applicable to your investment. Information regarding how to apply for units in the Fund (including an application form where applicable) will also be contained in the IDPS Guide. Please ask your adviser or the IDPS Operator if you have any questions about investing in the Fund through an IDPS. Equity Trustees accepts no responsibility for IDPS Operators or any failure by an IDPS Operator to provide investors with a current version of this PDS as provided by Equity Trustees or to withdraw the PDS from circulation if required by Equity Trustees.

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

The offer made in this PDS is available only to persons receiving this PDS in Australia (electronically or otherwise). If you received this PDS electronically we will provide a paper copy free upon request during the life of this PDS. Please call Brent McGoldrick on +612 9327 7395 for a copy.

This PDS does not constitute a direct or indirect offer of securities in the US or to any US Person. Equity Trustees may vary its position and offers may be accepted on merit at Equity Trustees' discretion. The units in the Fund have not been, and will not be, registered under the US Securities Act unless otherwise determined by Equity Trustees and may not be offered or sold in the US to, or for, the account of any US Person.

The Responsible Entity invests some of the Fund's assets in The Spartan Fund Limited ("Spartan Fund"). The Responsible Entity invests the balance of the Fund's assets in a range of asset classes—either indirectly via a diversified portfolio of underlying funds domiciled in Australia ("Direct Underlying Funds"), or directly holding the assets itself.

The Spartan Fund invests in a range of alternative investment strategies via a diversified portfolio primarily composed of hedge funds, other investment entities, and/or separate accounts (collectively, "Indirect Underlying Funds") and which may also include direct investments and/or Derivatives. In this way it pursues a wide range of investment strategies. The Indirect Underlying Funds may be related to the Spartan Fund, or managed by entities related to the Spartan Fund, or may be unrelated to the Spartan Fund.

In this PDS:

the **"Underlying Funds"** comprise both the Direct Underlying Funds and the Indirect Underlying Funds; and

the **"Direct Underlying Investments"** comprise the Direct Underlying Funds and the direct investments held by the Fund. (See Fund Structure in Section 5.3)

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

- by calling Brent McGoldrick on +612 9327 7395; or
- by visiting MCG Wealth's website at www.mcgwealth.com.au

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

Unless otherwise stated, all fees quoted in the PDS are inclusive of GST, after allowing for an estimate for Reduced Input Tax Credits ("RITCs"), and all amounts are in Australian dollars.

1. Fund at a glance

	Summary	For further information
<i>Name of the Fund</i>	MCG Endowment Strategy Fund	Section 5
<i>APIR Code</i>	SLT0010AU	Section 5
<i>ARSN</i>	124 225 734	Section 5
<i>Investment objective</i>	The MCG Endowment Strategy Fund's investment objective is to achieve returns net of fees in excess of inflation +5% over rolling 5 year periods, with low risk of failing to meet this return objective or experiencing significant losses during challenging market environments.	Section 5
<i>Investment strategy</i>	The MCG Endowment Strategy Fund's cornerstone investment principle is that through a combination of greater portfolio diversification, rigorous selection of specialist investment managers and a sophisticated risk management program, we are able to design a portfolio which not only has lower risk characteristics as compared to a traditional balanced portfolio, but also one with a higher expected return. The Fund will dynamically invest across traditional and alternative assets and strategies, based on our forward looking analysis of the capital market environment. The Fund will gain its exposures predominantly through the use of leading international specialist investment managers along with the select use of index funds.	Section 5
<i>The type(s) of investor(s) for whom the Fund would be suitable</i>	Investors seeking exposure to a range of Asset Classes.	Section 5
<i>Recommended investment timeframe</i>	Three to five years We recommend that you consider, with your financial adviser, the suggested investment period for the Fund in relation to your own investment timeframe.	Section 5
<i>Minimum initial investment</i>	\$250,000	Section 7
<i>Minimum additional investment</i>	\$25,000	Section 7
<i>Minimum withdrawal amount</i>	\$50,000	Section 7
<i>Minimum balance</i>	\$250,000	Section 7
<i>Cut off time for applications and withdrawals</i>	Monthly applications and withdrawals 2:00pm, on a Cut Off Date (usually the last Business Day of the month).	Section 7
<i>Valuation frequency</i>	The Fund's assets are normally valued daily.	Section 7
<i>Applications</i>	Accepted each Business Day.	Section 7
<i>Withdrawals</i>	Withdrawal proceeds generally will be paid within 14 days following a Valuation Date. Withdrawals may be limited or delayed in some circumstances. See <i>Withdrawals</i> in Section 5 and <i>Terms and conditions for withdrawals</i> in Section 7.	Section 7
<i>Income distribution</i>	Annual	Section 7
<i>Management fees and costs</i>	1.87% p.a. of the Net Asset Value ("NAV") (including GST less RITCs)	Section 9
<i>Entry fee/exit fee</i>	Nil	Section 9
<i>Buy/Sell spread</i>	0.10% on applications into the Fund.	Section 9

2. ASIC Benchmarks

The Fund is a 'hedge fund' for the purposes of Australian Securities and Investments Commission (ASIC) Regulatory Guide 240. The following table sets out a summary of the disclosure ASIC requires for hedge funds, the key features of the Fund and a guide to where more detailed information can be found in this PDS. A copy of ASIC Regulatory Guide 240 dated October 2013 (as may be amended, supplemented or replaced from time to time) is available from www.asic.gov.au.

The information summarised in this table and explained in detail in the identified section reference is intended to assist investors with analysing the risks of investing in the Fund. Investors should consider this information together with the detailed explanation of various benchmarks and principles referenced throughout this PDS and the key risks of investing in the Fund highlighted in section 6 of this PDS.

ASIC Benchmark	Is the benchmark satisfied?	Summary	For further information
Valuation of assets			
This benchmark addresses whether valuations of the Fund's non-exchange traded assets are provided by an independent administrator or an independent valuation service provider.	Yes	<p>The Responsible Entity generally values interests in the Direct Underlying Funds at prices provided by the managers of the Direct Underlying Funds or their administrators.</p> <p>The Responsible Entity values interests in the Spartan Fund at prices provided by the Spartan Fund or its administrator. The Responsible Entity accepts that the Spartan Fund generally values interests in the Indirect Underlying Funds at prices provided by the managers of the Indirect Underlying Funds or their administrators (except in certain circumstances where a different fair valuation process is permitted by the Spartan Fund's investment manager's valuation policy), and that the Spartan Fund values Derivatives in accordance with the Spartan Fund's investment manager's valuation policy.</p> <p>The Responsible Entity values Derivatives at values provided by the exchanges the Derivatives are traded on where exchange traded. Where Derivatives are non-exchange traded the Responsible Entity values such Derivatives at fair value, which may rely on multiple inputs, including, but not limited to, independent pricing services, counterparty valuations, and market prices, if any, for instruments similar to or underlying the Derivative instrument.</p> <p>Significant and unusual circumstances at an Underlying Fund may warrant a downward Net Asset Value adjustment by the Responsible Entity if required by applicable accounting principles.</p>	See <i>Valuations risk</i> in Section 5.6
Periodic reporting			
This benchmark addresses whether the responsible entity of the Fund will provide periodic disclosure of certain key information specified by ASIC on an annual and monthly basis.	Yes	The Responsible Entity provides annual reports of all key information to investors, with information updated on the Fund Manager's website on a monthly basis.	See <i>Reporting to investors</i> in Section 8

3. ASIC disclosure principles

	Summary	Section (for further information)
<i>Investment strategy</i>	<p>The MCG Endowment Strategy Fund's cornerstone investment principle is that through a combination of greater portfolio diversification, rigorous selection of specialist investment managers and a sophisticated risk management program, we are able to design a portfolio which not only has lower risk characteristics as compared to a traditional balanced portfolio, but also one with a higher expected return. The Fund will dynamically invest across traditional and alternative assets and strategies, based on our forward looking analysis of the capital market environment. The Fund will gain its exposures predominantly through the use of leading international specialist investment managers along with the select use of index funds.</p>	Section 5
<i>Fund Manager</i>	<p>Equity Trustees Limited, as Responsible Entity of the Fund, has appointed MCG Wealth as the Investment Manager of the Fund.</p> <p>See Section 4 in relation to the expertise of the Investment Manager and the Investment Management Agreement under which the Investment Manager has been appointed.</p> <p>Under the Investment Management Agreement between the Investment Manager and Equity Trustees, Equity Trustees can terminate the Investment Manager's appointment where the Investment Manager becomes insolvent, materially breaches the agreement, ceases to carry on its business or in certain other circumstances. In the event that Equity Trustees terminates the Investment Manager following one of these events, the Investment Manager's appointment would cease upon any termination date specified in the notice, and the Investment Manager would be entitled to receive fees in accordance with the agreement until the effective date of termination.</p>	Section 4
<i>Fund structure</i>	<p>The Fund is an Australian managed investment scheme. The Fund is a registered scheme and regulated under the Corporations Act. Equity Trustees is the responsible entity of the Fund.</p> <p>The Fund invests in Australian dollar denominated shares of The Spartan Fund Limited, which is a Cayman Islands exempted company.</p> <p>The balance of the Fund's portfolio—the Direct Underlying Investments (including cash)—are held directly, and not through the Spartan Fund.</p>	Section 5.3
<i>Valuation, location and custody of assets</i>	<p>The Fund holds shares in the Spartan Fund, along with a diversified portfolio of Direct Underlying Investments (including cash). The Fund assets are held by Apex Fund Services Pty Ltd as Custodian, with sub-custodians located globally.</p> <p>The Spartan Fund holds a portfolio of interests in the Indirect Underlying Funds, and may also include direct investments and/or Derivatives. MUFG Alternative Fund Services (Cayman) Limited provides custody services to the Spartan Fund.</p> <p>The Responsible Entity values interests in the Spartan Fund at prices provided by the Spartan Fund or its administrator. The Responsible Entity generally values interests in the Direct Underlying Funds at prices provided by the responsible entities/trustees of the Direct Underlying Funds, or their administrators.</p> <p>The Spartan Fund generally values interests in the Indirect Underlying Funds at prices provided by the Indirect Underlying Managers or their administrators (except in certain circumstances where a different fair valuation process is permitted by the Spartan Fund's investment manager's valuation policy) and values Derivatives in accordance with the Spartan Fund's Investment Manager's valuation policy. The Responsible Entity values exchange traded Derivatives at values provided by the exchanges on which the Derivatives are traded. The Responsible Entity values Derivatives that are non-exchange traded at fair value, which may rely on multiple inputs, including, but not limited to, independent pricing services, counterparty valuations, and market prices, if any, for instruments similar to or underlying the Derivative instrument.</p>	Section 5.6

	Summary	Section (for further information)
<i>Liquidity</i>	<p>The Responsible Entity does not expect to be able to realise at least 80% of the Fund assets, at the value ascribed to those assets in calculating the Fund's Net Asset Value, within 10 days.</p> <p>The Fund's interests in the Spartan Fund may, at any time, make up all of the Fund value. It will not be possible for the Fund to redeem its interests in the Spartan Fund within 10 days because the Indirect Underlying Funds are subject to legal or other restrictions on redemption and/or transfer. A substantial portion of the Indirect Underlying Funds are expected to permit redemptions on a quarterly or annual basis; however, the Indirect Underlying Funds typically have the ability to suspend redemptions and/or to create illiquid "side pockets" that could significantly delay and/or impact the value of the redemption proceeds received by the Spartan Fund in connection with a redemption from an Indirect Underlying Fund. An Indirect Underlying Fund may hold illiquid investments which may take many months, even years, to realise. The value of some Derivatives held by the Spartan Fund may be adversely affected by early termination.</p> <p>However, the Responsible Entity expects to be able (in the normal course) to realise sufficient assets, at the value ascribed to those assets in calculating the Fund's Net Asset Value, to pay withdrawals, in accordance with the procedures for withdrawals determined by the Responsible Entity under the Constitution.</p>	Section 5.7
<i>Leverage</i>	The Spartan Fund does use Leverage, which magnifies any losses as well as any returns for the Spartan Fund and, indirectly, for the Fund.	Section 5.4
<i>Derivatives</i>	The Fund may gain exposure to Derivatives directly or through investment in the Spartan Fund or the Underlying Funds. The Fund may use Derivatives to Hedge exposures between the Australian dollar and other currencies.	Section 5.9
<i>Short selling</i>	The Fund does not engage in short selling, but the Underlying Funds may do so.	Section 5.8
<i>Withdrawals</i>	<p>Generally, investors may withdraw funds monthly, by giving notice by 2pm on a Cut Off Date (usually the last Business Day of the month).</p> <p>Withdrawals may be delayed in some circumstances.</p>	Section 5.10

4. Who is Managing the Fund?

The Responsible Entity

Equity Trustees Limited

Equity Trustees Limited ABN 46 004 031 298 AFSL 240975, a subsidiary of EQT Holdings Limited ABN 22 607 797 615, which is a public company listed on the Australian Securities Exchange (ASX:EQT), is the Fund's responsible entity and issuer of this PDS.

Established as a trustee and executorial service provider by a special Act of the Victorian Parliament in 1888, Equity Trustees today is a dynamic financial services institution which will continue to grow the breadth and quality of the products and services on offer.

Equity Trustees' responsibilities and obligations as the Fund's responsible entity are governed by the Fund's Constitution, the Corporations Act and general trust law.

Equity Trustees has appointed MCG Wealth as the investment manager of the Fund. Equity Trustees has appointed a custodian to hold the assets of the Fund. The custodian has no supervisory role in relation to the operation of the Fund and is not responsible for protecting your interests.

The Fund Manager

MCG Wealth Management

Founded in 2005, MCG Wealth is a private investment firm based in Sydney, Australia. MCG's focus is on the provision of objective based investment solutions. In this capacity, MCG Wealth currently manages in excess of \$850 million of assets.

Through the use of an Open Architecture business model, MCG Wealth sits at the centre of a network of global best of class service partners. This enables MCG to bring progressive investment management solutions and institutional quality wealth management services to its clients, whilst maintaining an independent investment approach and family office style approach to client relationships.

MCG Wealth is wholly owned by its directors, who have considerable experience in managing individual client portfolios for high net worth investors. The primary focus of the directors when managing clients' money has been on risk management. This focus, aims to best preserve capital across all market cycles, while aiming to achieve a constant reasonable return over the medium term, given the level of risk employed.

The individuals playing a key role in the investment management of the Fund are as follows:

Brent McGoldrick - B. Ec - Brent commenced his professional career in 2002, by completing a two year graduate training programme with Marsh Pty Ltd, a world leader in Risk Management. On completion, Brent then joined MCG Wealth, where he was responsible for client servicing. In 2006 Brent accepted a position as an Analyst with Goldman Sachs JBWere, working in the Private Wealth Management division. After 2 years with GSJBW, he returned to MCG Wealth, where his responsibilities were expanded to portfolio management. Brent has a Bachelor of Economics from the University of Sydney.

Paul P McGoldrick - B.Com, M.Com, DipFP, CFP - Over his 40 years in the wealth management industry, Paul has been responsible for assisting private clients and institutions in Australia and globally in Canada, USA, Europe and Asia. Paul was a Vice President with Merrill Lynch in New York and Canada for over 13 years and was a Managing Director of the New York investment banking firm Furman Selz Mager Dietz and Birney who were subsequently acquired by ING. Paul was a consultant to the Canadian investment firm Loewen Ondaatje McCutcheon

responsible for international private clients and worked as a full time adviser for a period of time to an ultra-affluent British investor based in Monaco. More recently Paul was a Director of PwC in Sydney and a Director trustee of the PwC Superannuation Fund. Paul ultimately left the world of large financial institutions upon realising his clients were not receiving the objective advice, access to outside investment services that better suited their needs or the personal services that so many of the affluent needed in order to simplify their lives.

Name	Position	Time on Investment Team / Industry experience (years)	% of time spent managing the Fund.
Brent McGoldrick	Investment Director	14 / 20	100
Paul McGoldrick	Director	14 / 40	25

The Fund Manager has not been subject to any significant adverse regulatory finding.

The appointment of MCG can be terminated by the Responsible Entity at any time by written notice to MCG if MCG is in default under the investment management agreement (the "IMA") between the Responsible Entity and MCG, including where: (i) a receiver, manager, administrative receiver or similar person is appointed with respect to the assets and undertaking (or any part thereof) of MCG, (ii) MCG goes into liquidation, ceases to carry on business as a fund manager, breaches any material provision of the IMA and fails to rectify the breach within 10 days' written notice by the Responsible Entity requiring it to do so, (iii) MCG sells or transfers its main business and undertaking, other than to a related body corporate for purposes of corporate reconstruction on terms previously approved in writing by the Responsible Entity, or (iv) relevant law requires the IMA to be terminated. The Responsible Entity may also terminate MCG's appointment in the absence of MCG's default by giving not less than 180 days' written notice of termination to MCG.

The Custodian and Administrator

Apex Fund Services Pty Ltd

The Responsible Entity has appointed Apex Fund Services Pty Ltd (Apex) to act as administrator for the Fund (Administrator). In such capacity, the Administrator performs all general administrative tasks for the Fund, including keeping financial books and records and calculating the Net Asset Value of the Fund. The Responsible Entity has entered into an Administration Agreement with the Administrator, which governs the services that will be provided by the Administrator to the Fund. The Investment Manager may at any time, in consultation with the Responsible Entity, select any other administrator to serve as administrator to the Fund.

The Responsible Entity has also appointed Apex as an independent custodian to hold the assets of the Fund (Custodian). In such capacity, the Custodian will hold the assets of the Fund in its name and act on the direction of the Responsible Entity to effect cash and investment transactions. The Responsible Entity has entered into a custodian agreement, which governs the services that will be provided by the Custodian to the Fund.

5. How the Fund invests

5.1 Investment Objective

The MCG Endowment Strategy Fund's investment objective is to achieve returns net of fees in excess of CPI +5% over rolling five year periods, with low risk of failing to achieve this return objective or experiencing significant losses during challenging market environments.

5.2. Investment Strategy

The Fund

The Fund will try to achieve its investment objective by investing in a range of asset classes using a range of investment strategies (including absolute return strategies), including listed and unlisted investments across various asset sectors with an exposure to local and international fixed interest, property, equities, futures, options and Alternative Assets as well as cash. The Fund's Direct Underlying Investments may include direct investments as well as investments in managed investment schemes, special purpose investment vehicles or other investment vehicles managed by third-party or affiliated investment managers. The Direct Underlying Investments are domiciled in various jurisdictions, including, without limitation, Australia, Bermuda, the British Virgin Islands, the Cayman Islands, the Channel Islands, the Grand Duchy of Luxembourg, the Republic of Ireland, or the United States and are denominated in various currencies, including, without limitation, U.S. and Australian dollars. The Fund's investment strategy may change over time. You will be notified of any material change in the Fund's investment strategy. (See Reports in Section 8.)

The Fund Manager is responsible for managing the Fund's asset allocation, re-balancing the Fund's allocations to various asset classes and investment strategies. The key dependencies of the investment strategy are the Fund Manager's skill in optimising the blend of Asset Classes and strategies, the skill of BlackRock Financial Management, Inc. as portfolio manager of the Spartan Fund (Portfolio Manager); the Fund Manager's selection of Underlying Investment Managers, and the skill of the Underlying Investment Managers.

The Fund may be exposed to foreign currencies due to investments made by third-party investment managers that manage Direct Underlying Funds and/or Indirect Underlying Funds ("Indirect Currency Exposures"). In addition, the Fund may have exposure to foreign currencies arising from direct investments denominated in currencies other than Australian dollars ("Direct Currency Exposures"). It is the intention of the Fund Manager to generally seek to Hedge out Direct Currency Exposures through the use of currency hedges. However, from time to time the Fund Manager may determine that it is in the best interest of the Fund to not be perfectly Hedged against Direct Currency Exposures. The Fund's range of assets spans the following asset classes as outlined in the below table, with allocation ranges expressed as percentages of the Fund as a whole:

Asset Class	Benchmark Allocation	Min-Max Range (%)
Cash equivalent investments	0%	0 – 20%
Australian listed equities	30%	0 – 50%
Australian unlisted equities	5%	0 – 10%
International listed equities	30%	0 – 50%

Asset Class	Benchmark Allocation	Min-Max Range (%)
International unlisted equities	5%	0 – 10%
Australian government bonds	15%	0 – 30%
Australian corporate bonds	15%	0 – 30%
International government bonds	15%	0 – 30%
International corporate bonds	15%	0 – 30%
Structured products	5%	0 – 10%
Real property	5%	0 – 15%
Infrastructure	5%	0 – 15%
Exchange traded derivatives	5%	0 – 10%
OTC derivatives	0%	0 – 20%
Absolute return strategies	60%	40 – 80%

Investments will be classified into Asset Classes and strategies by the Fund Manager. Note that allocation to cash includes cash-equivalent assets and excludes amounts held as collateral for, or otherwise in connection with, Derivatives.

The specific risks associated with the Fund's investment strategy are the risks associated with the Direct Underlying Investments, particularly—use of Derivatives and Leverage; International investing risk, Emerging Markets risk, Liquidity risk and Reliability of valuations.

There are no minimum or maximum guidelines as to the number of Underlying Funds in which the Fund invests.

The Spartan Fund

In addition the Fund is subject to risks specific to the Spartan Fund such as fund of hedge fund risks and risks specific to the Indirect Underlying Funds. See Additional risks for the Spartan Fund in Section 6 for further information. As more fully described below, the Indirect Underlying Funds may pursue their investment strategies by investing in a wide variety of securities and other instruments, including but not limited to, Australian and international listed equities, preferred stocks, Australian and international government and corporate bonds, convertible bonds, notes, loans, commercial paper, exchange traded and over-the-counter ("OTC") Derivatives (including futures contracts, options, and swaps), warrants, commodity and commodity linked contracts, foreign currency and cash equivalents.

The Indirect Underlying Funds may be domiciled in various jurisdictions, including, without limitation, Australia, Bermuda, the British Virgin Islands, the Cayman Islands, the Channel Islands, the Grand Duchy of Luxembourg, the Republic of Ireland, or the United States. The Fund generally invests in interests in Indirect Underlying Funds denominated in U.S. or Australian dollars. Indirect Underlying Funds may be organised as offshore corporations, limited partnerships or limited liability companies or other investment structures including managed or separate accounts, registered and unregistered investment

companies, and unit trusts as well as alternative trading platforms (including underlying investment managers accessed through derivatives with returns linked to the underlying investment manager's strategies).

By investing in a variety of Indirect Underlying Funds with different investment strategies, the Spartan Fund aims to produce returns with a low Beta to the public equity markets. The Spartan Fund aims to maintain exposure to a variety of Indirect Underlying Funds using a variety of investment strategies.

The Spartan Fund has both class A and class B shares (described below). The Fund will invest in both classes of shares.

Class A shares in the Spartan Fund:

The Spartan Fund's objective with respect to the class A portfolio is to generally seek to allocate the Fund's capital to multiple Fund Investments managed by external investment advisors ("External Investment Advisors") that pursue a variety of absolute return strategies. External Investment Advisors may be a single entity or group of related entities or an identified team within a larger organization.

The Spartan Fund's class A portfolio allocates the Spartan Fund assets amongst Indirect Underlying Fund investments utilizing primarily equity long/short strategies, directional trading strategies and/or other alternative strategies (these investment strategies are subjective classifications). It is anticipated that the Spartan Fund's class A portfolio will include approximately 6-14 Indirect Underlying Fund investments in each of these three categories (i.e., approximately 18-42 total) although these figures are subject to variance as may be approved by the Responsible Entity from time to time, and such variances are not expected to be communicated to investors in the Fund in the ordinary course.

Equity long/short

Investment strategies within the equity long/short discipline involve buying and/or selling a security or financial instrument believed to be significantly under or over-priced by the market in relation to its potential value. Investment strategies within this discipline include long and short equity that emphasize a fundamental valuation framework and equity active value strategies where an active role is taken to enhance corporate value.

When managers utilize this strategy, they typically employ fundamental analysis, which evaluates the underlying determinants that affect the price of securities. Factors within such an analysis include both microeconomic and macroeconomic variables that can influence the price of a given security or set of securities. Many investment strategies within this discipline will incorporate elements of both fundamental and technical analysis. The actual research process can be based on a bottom-up approach that first examines the factors affecting a single company or marketplace or a top-down approach that first analyses the macroeconomic trends affecting a market or industry.

Directional trading discipline

Investment strategies within the directional trading discipline involve buying and/or selling securities or financial instruments with a primary focus on seeking to profit primarily from changes in macro-level exposures, such as broad securities markets, interest rates, currency exchange rates, or commodity prices. Investment strategies within the directional trading discipline include managed futures strategies with positions in select futures instruments based typically on systematic technical analyses; and global macro strategies with positions expressing macroeconomic views based on analyses of fundamental factors.

Managed futures strategies involve trading primarily in futures and currencies globally, generally using systematic or discretionary approaches. Global macro strategies generally utilize analysis of macroeconomic and financial conditions to develop views on country, regional or other economic themes and then seek to capitalize on such views by trading in securities, commodities, interest rates currencies and other instruments. The strategy may involve quantitative models or discretionary inputs to speculate on the direction of individual markets or subsectors of markets. External advisors in relation to this strategy may invest primarily in futures contracts, forward contracts, physical commodities, options on futures and on physical commodities and other derivative contracts on foreign currencies, financial instruments, stock indices and other financial market indices, metals, grains and agricultural products, petroleum and petroleum products, livestock and meats, oil seeds, tropical products and softs. These advisors also may engage in speculative trading of securities, including, but not limited to, equity and debt securities, high yield securities, emerging market securities and other security interests, and may do so on a cash basis or using options or other derivative instruments. Some of these advisors may utilize other investment media such as swaps and other similar instruments and transactions. These advisors generally trade futures and securities on commodities and securities exchanges worldwide as well as in the interbank foreign currency forward market and various other over-the-counter markets.

Other alternative investment strategies

Other alternative investment strategies may include, without limitation, credit based strategies, event-driven strategies, relative value strategies, and direct sourcing strategies. Some of these strategies may involve quantitative analysis while others are based more on qualitative considerations. These strategies may have significantly disparate liquidity profiles and their success may depend upon widely varying factors. Alternative investment strategies typically have the flexibility to use the full range of investment tools and techniques, including leverage and derivatives, to seek to reduce risk and enhance returns. This flexibility contrasts with traditional investment strategies which may be subject to rigid investment constraints and restrictions.

Class B shares in the Spartan Fund:

The Spartan Fund's objective with respect to the class B portfolio is to gain exposure to specific indices identified by the Fund, which may include, for example, the ASX 300 index and/or the MSCI global equity index, on a leveraged basis, through swaps, derivatives, forward contracts, futures contracts and other similar instruments and transactions ("Index Swaps"). The Spartan Fund will not seek exposure to investment funds that track specific indices ("Index Funds") with respect to the class B portfolio.

The Spartan Fund will not be subject to any investment guidelines or restrictions with respect to the class B portfolio, including but not limited to leverage restrictions applicable to the class A portfolio, and the investments in the class B portfolio will have no impact on the measurement of the Spartan Fund's compliance with the investment guidelines and restrictions applicable to any other class(es) of shares, including the class A shares.

The specific risks for the Spartan Fund associated with its investment strategy include the risks associated with the Indirect Underlying Funds, particularly — use of Derivatives and Leverage; reliance on key personnel; the unregulated nature of many of the Indirect Underlying Funds; their broad investment strategies; their investments in Emerging Markets; and the lack of liquidity and volatility of the Indirect Underlying Funds. This list is not exhaustive. See Fund of hedge funds risks in Section 6 for details. To seek to mitigate and manage some of these risks,

the Spartan Fund will employ a multi-manager strategy and each Indirect Underlying Manager will trade independently of the others. See Fund of hedge funds risks in Section 6 for details. For up to date information on the Spartan Fund and the Underlying Managers contact Teresa Lee-Antonas on +612 9327 7395.

5.3. Fund Structure

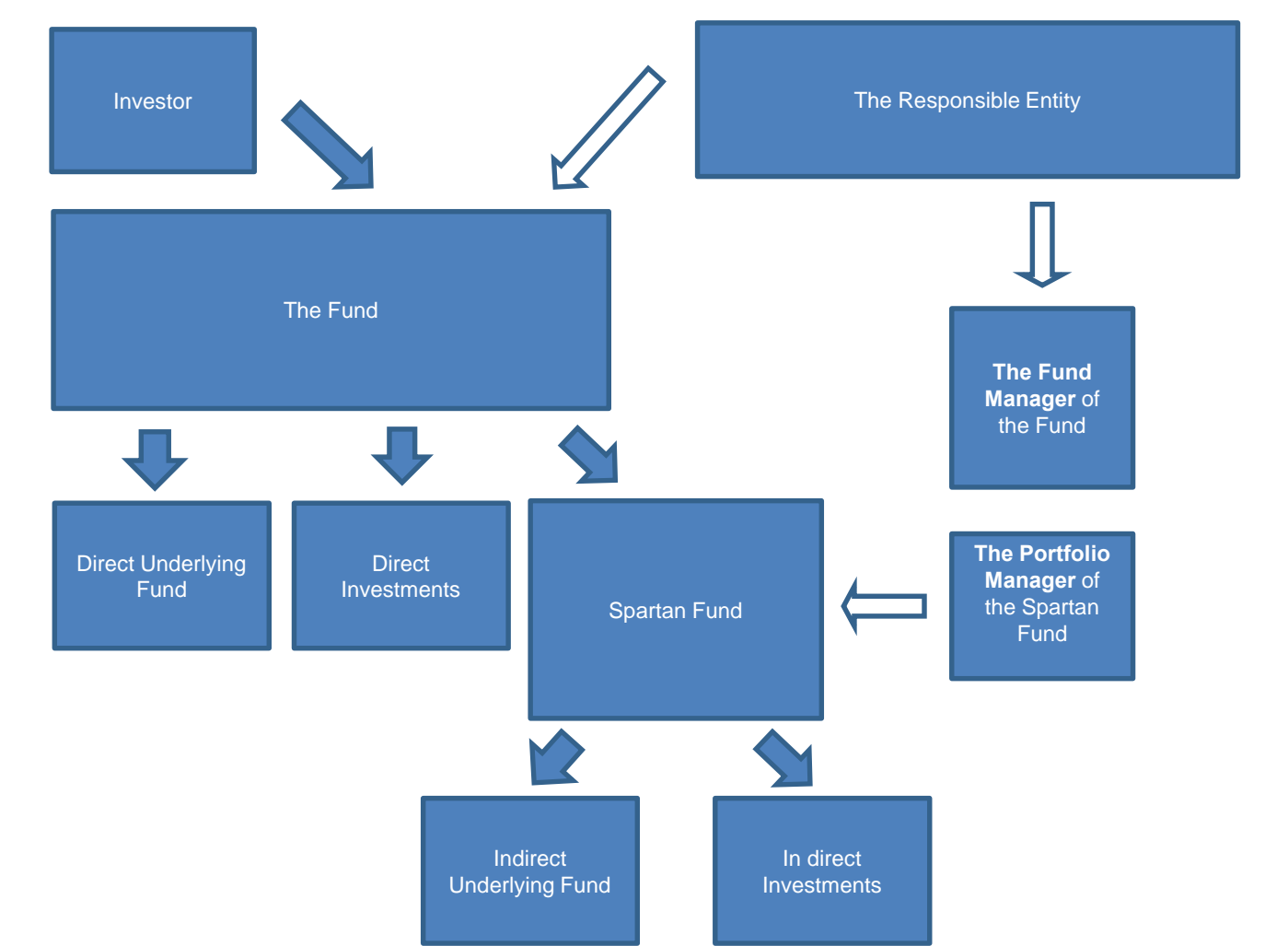
The Fund is an Australian managed investment scheme. The Fund is a registered scheme and regulated under the Corporations Act. Equity Trustees is the responsible entity of the Fund.

The Fund invests in Australian dollar denominated shares of the Spartan Fund, which is a Cayman Islands exempted company. BlackRock Financial Management, Inc. is the Portfolio Manager for the Spartan Fund.

The Fund also holds direct investments, which may include local and international fixed interest, property, equities, futures or options.

The Underlying Funds may be domiciled in various jurisdictions, including, without limitation, Australia, Bermuda, the British Virgin Islands, the Cayman Islands, the Channel Islands, the Grand Duchy of Luxembourg, the Republic of Ireland, or the United States.

The service providers and their relationship to the Fund and the flow of funds through the Fund are shown in the diagram below.



As at the date of this PDS, the Responsible Entity has appointed the following service providers for the Fund:

- Fund Manager: PMCG Pty Limited trading as MCG Wealth Management. See About the Fund Manager in Section 4 for a description of the Fund Manager’s role.
- Custodian: Apex Fund Services Pty Ltd
- Administrator: Apex Fund Services Pty Ltd
- Auditor: Ernst & Young

The service providers engaged by the Responsible Entity may change without notice to investors.

The Responsible Entity has entered into service agreements with the service providers. The Responsible Entity will regularly monitor the performance of the Fund Manager against service

standards set out in the relevant agreement. The Responsible Entity will, with the assistance of the Fund Manager, regularly monitor the performance of all other service providers against service standards set out in the relevant agreements. All service agreements are on arm’s length terms.

None of the Responsible Entity, the Fund Manager or the Custodian/Administrator are related parties.

We estimate the amount of total fees and costs (of the kind that would need to be disclosed by the Underlying Managers of the Direct Underlying Funds if the Direct Underlying Funds were registered managed investment schemes) to include

asset-based management fees typically ranging between 0.10% to 1.5% per annum and/or performance-based incentive fees typically ranging between 0% to 20% per annum of the Direct Underlying Funds' net profits.

The Indirect Underlying Funds are selected by the Portfolio Manager of the Spartan Fund. The Responsible Entity does not have a specific policy on the due diligence conducted by the Portfolio Manager in respect of the Indirect Underlying Funds or their service providers.

Spartan Fund

The Spartan Fund holds a portfolio of interests in the Indirect Underlying Funds.

As at the date of this PDS, the Spartan Fund has appointed the following service providers for the Spartan Fund:

- Custodian: MUFG Alternative Fund Services (Cayman) Limited
- Administrator: MUFG Alternative Fund Services (Cayman) Limited
- Auditor: Deloitte & Touche (Cayman Islands)

The service providers engaged by the Spartan Fund may change without notice to investors.

The fees payable by the Spartan Fund to its service providers are on arm's length terms.

None of the Responsible Entity, the Fund Manager, the Portfolio Manager, or the Custodian/Administrator of the Spartan Fund are related parties.

We estimate the amount of total fees and costs (of the kind that would need to be disclosed by the Indirect Underlying Managers if the Indirect Underlying Funds were registered managed investment schemes) to include asset-based management fees typically ranging between 1% to 2% per annum and/or performance-based incentive fees typically ranging between 0% to 20% per annum of the Indirect Underlying Funds' net profits payable by the Indirect Underlying Funds in which the Spartan Fund will invest.

The specific risks associated with this structure are Fund risk, Interest rate risk, Market risk, Legal risk, and Underlying Fund risk. See Managing Risk in Section 6 for details of these risks.

5.4. Leverage

The Fund

The Fund does not employ Leverage.

The Fund may gain Leveraged exposure through investment in the Underlying Funds.

Leverage may increase the volatility of an Underlying Fund's unit price by potentially magnifying gains and losses from the Underlying Fund's investments. The value and liabilities associated with Leveraged investment strategies can be more variable than traditional investments and there may be greater exposure to possible losses. Accordingly, a Leveraged fund may be regarded as having a higher risk profile than a comparable fund which has no Leverage.

There are no limits on the level or type of Leverage exposure for the Fund, the Underlying Funds as a whole or any individual Underlying Fund. We anticipate Leverage exposure for the Fund (using a gross exposure measure of Leverage, which would include Leverage (both long and short exposure) in the Underlying Fund's portfolios and the Leverage (both long and short exposure) of any Derivatives held by, or borrowings of, the Underlying Funds to usually range between 200% to 500% of assets, although it could exceed such amount from time to time. The maximum allowable Leverage exposure of the Fund is an amount equal to 550% of the NAV of the Fund.

For example, if a fund was not Leveraged, assuming that a fund had \$100,000 available for investment, the fund could acquire securities/positions with a value of \$100,000 and a ten per cent decrease in value would mean a loss of \$10,000, and a ten per cent increase in value would mean a gain of \$10,000 for the fund. If a fund was leveraged such that its long exposure was 300% it could acquire securities/positions to a value of \$300,000 and a ten per cent decrease in value would mean a loss of \$30,000, and a ten per cent increase in value would mean a gain of \$30,000 for the fund.

The Spartan Fund

The Fund invests through the Spartan Fund.

Leverage in relation to Class A shares in the Spartan Fund:

The Spartan Fund may borrow money or engage in other forms of borrowing or leverage for any purpose, including making investments and for meeting redemption requests; provided that such leverage is not expected to exceed 25% of the class A portfolio's Net Asset Value (calculated without regard to leverage employed in connection with the Spartan Fund's currency hedging activities, if any, or by investments which may be significant) at the time such leverage is incurred. The Spartan Fund may employ leverage by entering into a credit facility or other means of borrowing (a "Borrowing Facility"), which may be a committed or uncommitted facility.

Borrowing Facilities may be exclusive to the Spartan Fund or shared with other clients, in which case availability of funds under a Borrowing Facility may be limited due to other clients having already borrowed funds, or seeking to borrow funds, at the time the Spartan Fund desires to draw on the Borrowing Facility.

Leverage in relation to Class B shares in the Spartan Fund:

The Spartan Fund's strategy includes leverage, and there is no limit on the amount of leverage that can be employed.

The Spartan Fund will not be subject to any investment guidelines or restrictions with respect to the class B portfolio, including but not limited to leverage restrictions applicable to the class A portfolio, and the investments in the class B portfolio will have no impact on the measurement of the Spartan Fund's compliance with the investment guidelines and restrictions applicable to any other class(es) of shares, including the class A shares.

5.6. Valuation, location and custody of assets

The Fund holds a portfolio of listed and unlisted investments across various asset sectors with an exposure to local and international fixed interest, property, equities, futures, options and Alternative Assets as well as cash. The Fund's Direct Underlying Investments may include direct investments as well as investments in managed investment schemes, special

purpose investment vehicles or other investment vehicles managed by third-party or affiliated investment managers. The assets are held by Apex Fund Services Pty Ltd as Custodian, with sub-custodians located globally.

The Responsible Entity generally values interests in the Underlying Funds at prices provided by the Underlying Managers or their administrators. Significant and unusual

circumstances at an Underlying Fund may warrant a downward Net Asset Value adjustment by the Responsible Entity if required by applicable accounting principles.

The Responsible Entity does not have a specific policy in relation to the use of an independent fund administrator or valuation

service provider by the Underlying Funds. The Responsible Entity does not have a specific policy in relation to the custodial arrangements of the Underlying Funds.

The Fund invests in the following asset types:

Asset Class	Custodian	Location of custodian	Location of Asset	Allocation range
Cash equivalent investments	Apex Fund Services Pty Ltd	Sydney	Sydney	0-20%
Australian listed equities	Apex Fund Services Pty Ltd	Sydney	Sydney	0-50%
Australian unlisted equities	Apex Fund Services Pty Ltd	Sydney	Sydney	0-10%
International listed equities	Apex Fund Services Pty Ltd	Sydney	Sydney	0-50%
International unlisted equities	Apex Fund Services Pty Ltd	Sydney	Sydney	0-10%
Real property	Apex Fund Services Pty Ltd	Sydney	Sydney	0-15%
Australian government bonds	Apex Fund Services Pty Ltd	Sydney	Sydney	0-30%
Australian corporate bonds	Apex Fund Services Pty Ltd	Sydney	Sydney	0-30%
International government bonds	Apex Fund Services Pty Ltd	Sydney	Sydney	0-30%
International corporate bonds	Apex Fund Services Pty Ltd	Sydney	Sydney	0-30%
Infrastructure	Apex Fund Services Pty Ltd	Sydney	Sydney	0-15%
Exchange traded derivatives	Apex Fund Services Pty Ltd	Sydney	Sydney	0-10%
OTC derivatives	Apex Fund Services Pty Ltd	Sydney	Sydney	0-20%
Structured products	Apex Fund Services Pty Ltd	Sydney	Sydney	0-10%
Absolute return strategies	Apex Fund Services Pty Ltd	Sydney	Sydney	40-80%

The Fund intends to be invested in a diversified portfolio consisting of the Spartan Fund and the Direct Underlying Investments. The Direct Underlying Funds may be domiciled in various jurisdictions, including, without limitation, Australia, Bermuda, the British Virgin Islands, the Cayman Islands, the Channel Islands, the Grand Duchy of Luxembourg, the Republic of Ireland, or the United States.

Geographic location is not a consideration in the construction of the Fund assets.

Spartan Fund

The Fund invests assets in the Spartan Fund. The Spartan Fund holds both a class A portfolio and a class B portfolio.

The class A portfolio comprises interests in Indirect Underlying Funds, and may also hold direct investments and/or Derivatives. MUFG Alternative Fund Services (Cayman) Limited serves as custodian of the Spartan Fund. The class B portfolio comprises various Index Swaps providing leveraged exposure to specific indices.

The Spartan Fund invests in a variety of asset types, which may include, without limitation, the following asset types:

Class A shares in the Spartan Fund:				
Asset Class	Custodian	Location of custodian	Location of Asset	Allocation range

Fund investments - investment in funds utilising the following investment strategies: <ul style="list-style-type: none"> • long/short discipline • directional trading discipline • other strategies 	MUFG Alternative Fund Services (Cayman) Limited	Cayman Islands	Cayman Islands	Varies 0-100%* *subject to adjustment without notice to investors in the Fund
Cash equivalent investments	MUFG Alternative Fund Services (Cayman) Limited	Cayman Islands	Cayman Islands	Varies
Exchange traded derivatives	MUFG Alternative Fund Services (Cayman) Limited	Cayman Islands	Cayman Islands	Varies
Over the counter (OTC) Derivatives (including forward contracts)	MUFG Alternative Fund Services (Cayman) Limited	Cayman Islands	Cayman Islands	Varies

Class B shares in the Spartan Fund:

Index Swaps - swaps, forward contracts, futures contracts and other similar derivatives providing leveraged exposure to specific indices	MUFG Alternative Fund Services (Cayman) Limited	Cayman Islands	Cayman Islands	Varies
Cash equivalent investments	MUFG Alternative Fund Services (Cayman) Limited	Cayman Islands	Cayman Islands	Varies
Exchange traded derivatives	MUFG Alternative Fund Services (Cayman) Limited	Cayman Islands	Cayman Islands	Varies
Over the counter (OTC) Derivatives	MUFG Alternative Fund Services (Cayman) Limited	Cayman Islands	Cayman Islands	Varies

The Spartan Fund intends to be primarily invested in the Indirect Underlying Funds, direct investments and/or Derivatives but may also hold cash and cash equivalents as well as other assets.

The Indirect Underlying Funds may be domiciled in various jurisdictions, including, without limitation, Australia, Bermuda, the British Virgin Islands, the Cayman Islands, the Channel Islands, the Grand Duchy of Luxembourg, the Republic of Ireland, or the United States.

Geographic location is not a consideration in the construction of the Spartan Fund assets.

5.7. Liquidity

The Responsible Entity does not expect to be able to realise at least 80% of the Fund assets, at the value ascribed to those assets in calculating the Fund's Net Asset Value, within 10 days. The Fund's interests in the Underlying Funds (which may, at any time, make up 100% of the Fund value) may take longer than 10 days to realise. The Responsible Entity manages this risk by allowing monthly withdrawals only.

The Fund invests in the Spartan Fund. The Responsible Entity does not expect the Spartan Fund to be able to realise at least 80% of its assets, at the value ascribed to those assets in calculating the Spartan Fund's Net Asset Value, within 10 days. Both the Spartan Fund's interests in the Indirect Underlying Funds and the Spartan Fund's interests in Derivatives (which may, at any time, make up 100% of the Spartan Fund value) are expected to take significantly longer than 10 days to realise. This

means that the Fund may experience delays in withdrawing assets from the Spartan Fund which means that monies may not be withdrawn from the Spartan Fund in time to pay all Fund withdrawal requests. In the event that the Fund wishes to make a withdrawal from the Spartan Fund and the Spartan Fund has insufficient liquidity to effect the withdrawal in cash, the Portfolio Manager of the Spartan Fund may (if it chooses) distribute interests in the Indirect Underlying Funds to the Fund instead of cash.

However, the Responsible Entity expects to be able (in the normal course) to realise sufficient assets, at the value ascribed to those assets in calculating the Fund's Net Asset Value, to pay withdrawals in accordance with the procedures for withdrawals determined by the Responsible Entity under the Constitution as summarized, and subject to the limits described in Section 5.9 below.

5.8. Short Selling

The Fund does not engage in short selling, but the Underlying Funds may do so. The Fund's investment policy does not place a limit on the level of short selling in the Underlying Funds. See section 5.2 for a description of the various investment strategies of the Underlying Funds that may engage in short selling and see Short Sales of Securities under Indirect Underlying Fund Risks in Section 6 for a description of the risks involved in short selling.

Although the Fund does not engage in short selling, it may own direct investments, such as options, swaps, futures and other

Derivatives, that are economically similar or equivalent to short sales. See the section on Derivatives under Fund Risk in Section 6 for a description of certain risks involved in Derivatives.

5.9. Derivatives

The Fund may gain exposure to Derivatives directly or through investment in the Underlying Funds or the Spartan Fund. The Fund may use Derivatives to achieve Hedge exposures between the Australian dollar and other currencies.

The Fund invests in Derivatives either directly or through investments in Underlying Funds, including the Spartan Fund. Both the Fund and the Spartan Fund expects to invest directly using OTC derivative contracts.

The Spartan Fund may use Derivatives directly or indirectly for any purpose, including, without limitation, to:

- * Hedge exposures between the Australian dollar and other currencies with the intention either to minimise the fluctuations in the Spartan Fund's returns caused by currency movements or to seek to benefit from anticipated currency movements.

Each of the Fund Manager and the Spartan Fund selects counterparties using some or all of the following criteria:

- * Ability to execute the Derivative transaction in an efficient manner
- * Cost associated with effecting the Derivative transaction
- * Credit worthiness of and current exposure to the counterparty
- * Collateral requirements associated with each transaction.

Collateral, lodged with various counterparties in respect of Derivatives held by the Fund, is managed on a daily basis. This limits the adverse impact on the Fund of the failure of a counterparty.

The class B portfolio of the Spartan Funds expects to enter into one or more swap agreements to obtain exposure to the relevant index or indices, on a leveraged basis. Swap agreements are generally expected to be individually negotiated, two-party contracts. In a standard swap transaction, the Spartan Fund is expected to receive the returns earned or realized on a particular index or indices, calculated with respect to a "notional amount" (i.e., the return on or increase in value of a particular dollar amount invested in a particular index) in exchange for initial and periodic payments made by the Spartan Fund to the counterparty to the swap agreement (the "Derivative Counterparty"). The Spartan Fund will not have a right, and will not seek, to direct the Derivative Counterparty on how it will hedge its exposure under the Index Swaps. The Derivative Counterparty with respect to an Index Swap may hedge its exposure through a variety of assets or instruments determined by the Derivative Counterparty, including without limitation, Index Funds and ETFs.

Cash held by the Spartan Fund in the class B portfolio and payments made to and from a Derivative Counterparty with respect to an Index Swap are generally expected to be denominated in Australian dollars.

These swap agreements are expected to represent a significant portion of the Spartan Fund's assets in the class B portfolio. If a Derivative Counterparty were to default under the swap agreement, the Spartan Fund could be materially adversely affected.

Derivative risk

The pricing of these Derivatives is uncertain, variable and based primarily on theoretical models, the outputs of which may vary substantially from the prices actually recognized in the market. The market for many types of Derivatives is comparatively illiquid and inefficient, creating the potential for substantial mispricings, as well as sustained deviations between theoretical and market value. The primary risks associated with the use of

Derivatives are (i) model risk, (ii) market risk and (iii) counterparty risk. The investments in over-the-counter Derivatives by the Underlying Funds are subject to greater risk of counterparty default and less liquidity than exchange-traded Derivatives, although exchange-traded Derivatives are subject to risk of failure of the exchange on which they are traded and the clearinghouse through which they are guaranteed. Counterparty risk includes not only the risk of default and failure to pay mark-to-market amounts and return risk premium, but also the risk that the market value of over-the-counter Derivatives will fall if the creditworthiness of the counterparties to those Derivatives weakens.

5.10. Withdrawals

Withdrawals are permitted as of the last day of each month ("Valuation Date"). Notice is required by 2pm on a Cut Off Date for the withdrawal request to be accepted for the next Valuation Date. Withdrawal proceeds are generally paid within 14 Business Days of the next Valuation Date. Withdrawals may be delayed if the Responsible Entity experiences significant delays in redeeming investments in the Underlying Funds (including the Spartan Fund) (see 5.6 Liquidity above).

Withdrawals may be delayed in some circumstances. See *Access to your money* in Section 7 for details.

See *Making a withdrawal* in Section 7 for details of withdrawals under normal circumstances.

The Responsible Entity may limit withdrawals on any one Valuation Date to 10% of the Fund value (as at the previous Valuation Date). If this limit applies, all withdrawal requests received during the month will be accepted for the next Valuation Date and will be paid on a pro-rata basis for that Valuation Date and each subsequent Valuation Date until paid in full.

If, at anytime, the Fund is 'illiquid' as defined in the Corporations Act (that is, the Responsible Entity does not expect to be able to realise sufficient assets to pay withdrawals, at the value ascribed to those assets in calculating the Fund's Net Asset Value, as specified for the payment of withdrawals under the Fund's Constitution) then withdrawals will be permitted only to the extent that the Responsible Entity is able to realise assets and only in accordance with the offer (if any) made by the Responsible Entity at the time—generally, paying withdrawals from realised assets on a pro-rata basis within 21 days after the offer period closes.

5.11. Suggested investment timeframe

The suggested investment timeframe is at least three to five years.

5.12. Labour standards and environmental, social and ethical considerations

The Responsible Entity and the Fund Manager are not required to take into account labour standards, and/or environmental, social and ethical considerations when selecting, retaining or realising the Underlying Funds. However, the Fund Manager and the Underlying Managers may take these into account when making their investment decisions.

5.13. Fund performance

For up to date information on the performance of the Fund please see the MCG Wealth website www.mcgwealth.com.au or contact Brent McGoldrick on (02) 9327 7395. Past performance is not indicative of future performance. The Responsible Entity and the Fund Manager do not guarantee the capital, any rate of return on income or capital or the investment performance of the Fund.

6. Managing risk

All investments carry risks. Different investment strategies may carry different levels of risk, depending on the assets acquired under the strategy. Assets with the highest long-term returns may also carry the highest level of short-term risk. The significant risks below should be considered in light of your risk profile when deciding whether to invest in the Fund. Your risk profile will vary depending on a range of factors, including your age, the investment time frame (how long you wish to invest for), your other investments or assets and your risk tolerance.

The Responsible Entity and the Investment Manager do not guarantee the liquidity of the Fund's investments, repayment of capital or any rate of return or the Fund's investment performance. The value of the Fund's investments will vary. Returns are not guaranteed and you may lose money by investing in the Fund. The level of returns will vary and future returns may differ from past returns. Laws affecting managed investment schemes may change in the future. The structure and administration of the Fund is also subject to change.

In addition, we do not offer advice that takes into account your personal financial situation, including advice about whether the Fund is suitable for your circumstances. If you require personal financial or taxation advice, you should contact a licensed financial adviser and/or taxation adviser.

Key Risks

Investment in the Fund carries risks, including Volatility of returns. Each Asset Class, whether cash, fixed interest, property, Australian or international shares, has associated investment risks and the return achieved by each will vary accordingly. None of the Responsible Entity, the Fund Manager or the Portfolio Manager of the Spartan Fund guarantee the capital, any rate of return on income or capital or investment performance of the Fund or the Spartan Fund. Investment in any fund is subject to risks, including possible delays in the payment of withdrawal proceeds, and loss of income and capital.

As the Fund invests in the Direct Underlying Funds and the Spartan Fund invests in the Indirect Underlying Funds, the Fund also has indirect exposure to the additional risks for the Underlying Funds and the Spartan Fund discussed below.

The main risk factors which may affect the returns of the Fund (either directly or indirectly through its investment in the Direct Underlying Investments and the Spartan Fund) include:

Fund risk

As with all managed funds, there are risks particular to the Fund, including the possibility it could terminate or that the fees and expenses could change. There is also a risk that investing in the Fund may give different results than investing directly in the underlying securities. We aim to keep Fund risk to a minimum by monitoring the Fund and acting in your best interests.

Asset Allocation risk

As the Fund's exposures to different Asset Classes may change over time, the Fund's assets may be allocated to an underperforming Asset Class. For example, the Fund may be over-weighted in equity securities when the stock market is falling and could underperform against other funds that are not as heavily allocated to equities.

Investment selection risk

The Fund Manager and the Underlying Managers use investment selection processes to identify investment opportunities which are believed to most likely to outperform the market. There is a risk that these investments will not perform in line with expectations. This risk is mitigated to some extent by the knowledge, experience and processes of the Underlying Managers.

Interest rate risk

Changes in official interest rates can directly and indirectly impact on investment returns. Generally, an increase in interest rates has a contractionary effect on the state of the economy and thus the valuation of stocks and other assets.

Market risk

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

Legal risk

There is a risk that laws, including tax laws, might change or become difficult to enforce. This risk is generally higher in developing countries.

Liquidity risk

There may be times when assets of the Fund may not be readily saleable (for example, in falling market conditions). If there is an interruption to regular trading in the market generally, or for a particular investment of the Fund, there may be delays in processing withdrawal requests for the Fund. Note that none of the Responsible Entity, the Fund Manager nor the Portfolio Manager of the Spartan Fund guarantees the liquidity of the Fund's, or the Spartan Fund's, investments.

Derivative risk

Generally, in the case of Derivatives, fluctuations in price will reflect movements in the underlying assets, reference rate or Index to which the Derivatives relate. The use of Derivatives to reduce the risk of movements in an underlying asset, reference rate or Index involves 'basis risk', which refers to the possibility that Derivatives may not move perfectly in line with the underlying asset, reference rate or Index. As a consequence, Derivatives cannot be expected to perfectly Hedge the risk of the underlying asset, reference rate or Index.

Other risks associated with Derivatives may include:

- that they can lose value because of a sudden price move or because of the passage of time;
- they can lose value based on an increase in value of an underlying asset, exposing the Fund, in theory, to an unlimited loss in the event of an unlimited increase in the market price of an underlying asset;
- potential illiquidity of the Derivative;
- the underlying investments being unable to meet payment obligations as they arise;
- the counterparty to any Derivative contract not meeting its obligations under the contract;
- significant Volatility in prices; and
- where Derivatives are highly Leveraged, an increase in the risk associated with an investment.

The prices of Derivatives can be highly volatile. Price movements of Derivatives are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets. Such intervention often is

intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations.

Counterparty risk

The Fund may engage in a variety of transactions, such as futures contracts, forward contracts, over-the-counter transactions, and structured transactions, that could expose the Fund to risks related to the counterparties to such transactions. Such risks include the risk that the counterparty may be unable to perform with respect to the transaction, whether due to credit or liquidity issues, insolvency, bankruptcy, governmental prohibition, or other causes.

Emerging Markets risk

Investing in Emerging Markets involves exposure to economic structures that are less diverse and mature, and to political systems that are less stable, than those of developed countries. In addition, issuers in Emerging Markets may experience a greater degree of change in earnings and business prospects than would companies in developed markets.

International investing risk

Risks of international investing include adverse currency fluctuations, potential political and economic instability, limited liquidity and Volatility of international investments, limited availability of information regarding these investments and repatriation restrictions and foreign taxation.

Currency risk

The Fund may take directional positions in foreign currencies or in assets denominated in, or receiving revenues in, foreign currencies, which may change in value relative to the Australian dollar and therefore may result in substantial losses for the Fund. The Fund Manager may not have expertise at trading directly in currency markets, or extensive service provider and counterparty relationships that would typically support such trading, as historically the Fund Manager has not engaged in directional currency trading on behalf of its clients. There can be no assurance that the Fund Manager's efforts in direct currency trading will be successful or will not result in significant losses for the Fund.

Equity securities risk

The value of the securities held directly or indirectly by the Fund is subject to market risk, including changes in economic conditions, growth rates, profits, interest rates, and the market's perception of these securities.

Debt and other income securities risk

Fixed income securities are subject to interest rate, market, credit, and currency risk. Interest rate risk relates to changes in a security's value as a result of changes in interest rates generally. Even though such instruments are investments that may promise a stable stream of income, the prices of such securities are inversely affected by changes in interest rates and, therefore, are subject to the risk of market price fluctuations. In general, the values of fixed income securities increase when prevailing interest rates fall and decrease when interest rates rise. Because of the resetting of interest rates, adjustable rate securities are less likely than non-adjustable rate securities of comparable quality and maturity to increase or decrease significantly in value when market interest rates fall or rise, respectively. Market risk relates to the changes in the risk or perceived risk of an issuer, country, or region. Credit risk relates to the ability of the issuer to make payments of principal and interest. The values of fixed income securities may be affected by changes in the credit

rating or financial condition of the issuing entities. Fixed income securities denominated in non-U.S. currencies are also subject to the risk of a decline in the value of the denominating currency relative to the U.S. Dollar.

Additional risks for the Spartan Fund

The Spartan Fund will face most, if not all, of the same risks as the Fund and the Underlying Funds as described above. Below are some key additional risks which are specific to the Spartan Fund. An investment in the Spartan Fund is speculative and includes a high degree of risk, including the risk of a total loss of capital. No guarantee or representation is made that the Spartan Fund or any Underlying Fund will achieve its investment objectives. Past results are not indicative of future results.

General Risks Related to the Spartan Fund

General risks related to the management and operation of the Spartan Fund include, but are not limited to, the following: the Spartan Fund is recently formed and has no or only a limited operating history; the portfolio of the Spartan Fund may not be diversified; the shares in the Spartan Fund are subject to substantial restrictions on transfer, and have limited liquidity; redemption proceeds may be distributed in kind; the Spartan Fund may be leveraged, which may increase the risk of investment loss; the Spartan Fund may engage in currency hedging; the Spartan Fund will be subject to counterparty risk; the success of the Spartan Fund depends upon the expertise of the Investment Manager and the potential loss of key management personnel of the Investment Manager may have an adverse effect on the Spartan Fund; and the Spartan Fund will rely on information provided by the Indirect Underlying Managers, administrators, auditors, general partners or managers for net asset value and other information related to such Indirect Underlying Funds and the Investment Manager may not be able to independently assess the accuracy of such valuations or other information. Blackrock Financial Management, Inc is entitled to a performance fee at the Spartan Fund level, which also may create incentives for Blackrock Financial Management, Inc to make investment decisions that involve a higher level of risk than may otherwise be the case.

Cross unit class risk

The Spartan Fund has two classes of shares, class A shares and class B shares. The Fund will invest in both class A shares and class B shares. There is no legal segregation of liabilities between the two classes. Accordingly, to the extent the assets of one class are insufficient to offset that class's liabilities, the assets of the other class may be used in satisfaction of those liabilities. The use of leverage increases the risk of such cross-class liability occurring.

In relation class A shares, the Spartan Fund may borrow money or engage in other forms of borrowing or leverage for any purpose, including for making Fund Investments and for meeting redemption requests; provided that such leverage is not expected to exceed 25% of the Spartan Fund's class A Net Asset Value at the time such leverage is incurred. Borrowings are also used to settle foreign currency hedging. The Spartan Fund may have Leveraged exposures (arising from Leverage in the Indirect Underlying Funds and the Leveraged exposure of the Derivatives it holds).

In relation to the Class B shares, significant leverage is used. The utilisation of significant leverage directly or indirectly by the Spartan Fund will increase the volatility of the Spartan Fund's Net Asset Value and will necessarily entail a high degree of risk.

Pandemic and other unforeseen event risk

Health crises, such as pandemic and epidemic diseases, as well as other catastrophes that interrupt the expected course of events, such as natural disasters, war or civil disturbance, acts of terrorism, power outages and other unforeseeable and external

events, and the public response to or fear of such diseases or events, have and may in the future have an adverse effect on the economies and financial markets either in specific countries or worldwide and consequently on the value of the Fund's investments. Further, under such circumstances the operations, including functions such as trading and valuation, of the Investment Manager and other service providers could be reduced, delayed, suspended or otherwise disrupted.

Risks specific to the Class B portfolio of the Spartan Fund

Increased Volatility of the Fund's Net Asset Value

The Spartan Fund will enter into various Index Swaps in order to leverage its investments. The utilization of such a high degree of leverage necessarily entails a high degree of risk. Use of such leverage will increase the volatility of the Spartan Fund and can substantially increase the potential risk of downside performance of the Spartan Fund and the adverse impact on the value of the Fund's interests in the Spartan Fund resulting from declines in the value of the Spartan Fund's investments. For example, assuming the Spartan Fund has leverage equal to 100% with respect to an Index, if the Index declines in value by 10%, the Fund's interest in the Index will decline in value by approximately 20%. Increases in the Spartan Fund's leverage may produce more volatile returns than might have been achieved had the Spartan Fund targeted a lower leverage level. Reductions in the Spartan Fund's leverage may reduce the potential risk of downside performance of the Spartan Fund and may produce less volatile returns than might have been achieved had the Spartan Fund targeted a higher leverage level, but may also limit Net Asset Value appreciation to levels lower than might have been achieved with a higher leverage.

The Spartan Fund's Target Notional Market Value May Not Be Achieved for Extended Periods of Time

The investment manager of the Spartan Fund does not intend (and has no obligation) to adjust the terms of the Index Swaps, including in order to attempt to maintain or return the Spartan Fund's leverage level to within the target Notional Market Value, unless requested by the Initial Investor as described above. Any such adjustments may take significant periods of time to implement because of the terms of the Index Swaps and other reasons. The amount of leverage utilized by the Spartan Fund will, from time to time, fluctuate due to various factors, such as the investment performance of the Indices and the Fund. Accordingly, the Spartan Fund's actual leverage may not fall within the Spartan Fund's target Notional Market Value range for extended periods of time.

Derivative Instruments May Impose Investment Restrictions

The Spartan Fund's investment program (including with respect to the class A Portfolio) may be constrained by the terms of the Index Swaps, and accordingly the Spartan Fund's investment program may not be as flexible as similarly managed funds that operate on an unleveraged basis. The Index Swaps may require the Spartan Fund to maintain certain collateral ratios at all times (including with respect to the class A Portfolio). A decrease in the value of the Spartan Fund's assets could cause the Spartan Fund to fail to satisfy these ratios. In order to remedy any such non-compliance, the Spartan Fund may be required (directly or through the terms of the Index Swaps) to redeem interests in one or more Spartan Fund Investments (including Spartan Fund Investments held in the Class A Portfolio). Such redemptions of interests in Spartan Fund Investments may be effected more rapidly than otherwise desirable and could further reduce the value of the Fund's Net Asset Value and the value of the Fund's interests in the Spartan Fund (including with respect to class A shares).

The Spartan Fund may also be required to satisfy certain diversification tests. If the Spartan Fund does not satisfy any applicable diversification requirements, the Spartan Fund may be prevented from effecting subscriptions or redemptions of interests in certain Spartan Fund Investments until such requirements are satisfied. Such diversification requirements could have a material adverse effect on the ability of the Spartan Fund to make investments otherwise viewed as attractive (including with respect to the class A portfolio) and therefore could materially adversely affect the performance of the Spartan Fund. The Spartan Fund's satisfaction of any such collateral ratio and diversification requirements may cause the Fund to incur losses or to miss profit opportunities on which it may otherwise have capitalized.

The Derivative Instruments May Require Redemptions that are Disadvantageous

In certain cases, including early termination of an Index Swap or significant adjustments to the Spartan Fund's portfolio required to satisfy any margin or other payments, the Spartan Fund may be required to redeem interests in Spartan Fund Investments (including Spartan Fund Investments held in the class A portfolio). These redemptions by the Spartan Fund could force the Spartan Fund Investments to liquidate its investments more rapidly than otherwise desirable, in order to raise cash to fund redemption payments owed to the Spartan Fund. This could have a material adverse effect on the value of the interests redeemed by the Spartan Fund and the remaining interests owned by the Spartan Fund. Accordingly, this could have a material adverse effect on the value of the Spartan Fund's Net Asset Value and the value of the Fund's interest in the Spartan Fund, including with respect to Class A Shares. Restrictions on redemption imposed by the Spartan Fund Investments could adversely affect the Investment Manager's ability to implement the Spartan Fund's investment strategy and could result in an imbalance of allocations among the Spartan Fund Investments.

Risk of Default

The Spartan Fund generally expects that it will be required to make margin or other payments under the terms of the Index Swaps, and the Spartan Fund may have a limited period of time to make such payments. If the Spartan Fund fails to make a timely payment of amounts due, the Spartan Fund may be in default under the terms of the Index Swap. The Investment Manager will endeavor to manage the Spartan Fund's assets, including assets in the Class A Portfolio, to meet future margin and other payments, by among other means, holding a portion of the Spartan Fund's assets in cash or investing a portion of the Spartan Fund's assets in cash equivalents, other short-term securities or money market funds. In addition, in allocating the Spartan Fund's assets in the Class A Portfolio, the Investment Manager will consider the liquidity of the Spartan Fund's portfolio and the Spartan Fund's liquidity needs with respect to the Class B Portfolio. Such defensive allocations could have an adverse effect on the ability of the Investment Manager to implement the Spartan Fund's investment program and could adversely affect the Spartan Fund's performance, including the performance of the Class A Portfolio. In addition, the Spartan Fund may be required to liquidate certain of its investments more rapidly than otherwise desirable in order to raise cash to fund the required margin or other payment. This also could adversely affect the Spartan Fund's performance, including the performance of the Class A Portfolio. To help fund margin or other payments, the Spartan Fund will seek to enter into a credit facility to be secured by the assets of the Spartan Fund, including assets in the Class A Portfolio. However, there can be no assurance that a credit facility will be available to the Spartan Fund or that any such facility will provide sufficient liquidity to fully fund any required margin or other payment. However, given the limited liquidity of the Spartan Fund's investments and other

factors, it is possible that the Spartan Fund may not have sufficient available cash to fund a required margin or other payment. Any event of default could materially adversely affect the Spartan Fund, including with respect to the Class A Portfolio.

Cross-Class Liability

Assets and liabilities of the Spartan Fund may be attributable to certain classes of Shares and not others. However, the liabilities of any class of Shares constitute liabilities of the Spartan Fund as a whole and, as a result, if the liabilities of a class of Shares exceed its assets, all Shareholders (including Shareholders that did not hold Shares of such class) could be adversely impacted by liabilities attributable to a specific class of Shares. For example, the Spartan Fund will enter into Index Swaps on behalf of the Class B Portfolio, which could create cross liability among all classes of Shares of the Spartan Fund. As a result, Class A Shares may be exposed to counterparty risk with respect to the Spartan Fund's use of Index Swaps with respect to the Class B Portfolio.

In addition, the Spartan Fund may pledge or charge (as the case may be) Spartan Fund assets, including assets in the Class A Portfolio, in order to secure any borrowings or other forms of credit extensions or leverage. The Spartan Fund's use of leverage, including through a Borrowing Facility, may require the use of a portion of the Spartan Fund's assets for margin or settlement payments or other purposes. Where the Spartan Fund does not have cash or assets available for such purposes, the Spartan Fund may be unable to comply with its contractual obligations, including without limitation, failing to meet margin calls or settlement or other payment obligations. If the Spartan Fund defaults on any of its contractual obligations, the Spartan Fund and the Fund (including holders of Class A Shares) may be materially adversely affected.

Certain Regulatory Considerations

Regulatory risks related to an investment in the Spartan Fund include, but are not limited to, the following: funds of funds and hedge funds are not subject to the same regulatory requirements as U.S. Securities and Exchange Commission registered funds or mutual funds and are required to provide significantly less periodic pricing or valuation information to shareholders; and the Spartan Fund, the Investment Manager and their affiliates are subject to a number of risks, including changing laws and regulations, developing interpretations of such laws and regulations and increased scrutiny by regulators and law enforcement authorities. This regulatory environment relevant to the Spartan Fund, the Investment Manager and Indirect Underlying Fund activities is evolving and likely will entail increased regulatory involvement in their businesses or result in ambiguity or conflict among legal or regulatory schemes applicable to their businesses, all of which could materially adversely affect the investment or trading strategies pursued by the Spartan Fund or Indirect Underlying Funds or the value of investments held by the Spartan Fund or an Indirect Underlying Fund.

Credit facilities risk

The Spartan Fund may utilise credit facilities for any purpose, including for short-term money management purposes in connection with the receipt of subscription proceeds withdrawal requests, or portfolio reallocations. Further, borrowings are used to settle foreign currency hedging. Such credit facilities may be provided to the Spartan Fund at prevailing market rates by the Spartan Fund's custodian or its affiliates, or from unaffiliated third parties. Should such credit facilities be utilised, the Spartan Fund would be subject to greater risk of loss than if it did not utilise such credit facilities. Moreover, the Spartan Fund would incur additional interest and other expenses with respect to such facilities. Any such credit facility provider that permits the Spartan Fund to borrow for liquidity purposes and accepts an

interest in any Spartan Fund assets as collateral for such credit facility (i) may be permitted to register such assets in the name of the credit facility provider or its nominee rather than in the Spartan Fund's name, and (ii) may be permitted (subject to the same redemption limitations applying to any investment held in the Spartan Fund's name) to require the redemption of any or all interests held by it as collateral, after default by the Spartan Fund pursuant to the agreement with such credit facility provider.

In the event that the Spartan Fund utilises credit facilities, and such credit facilities were to be materially reduced or terminated, there can be no assurance that the Spartan Fund would be able to find suitable replacement credit arrangements. Any such reduction or termination might result in the Spartan Fund being unable to effectively meet redemption requests or make additional or new investments in Indirect Underlying Funds and could cause unit holders to bear increased costs.

Certain terms of credit facilities may have the effect of imposing constraints on the Spartan Fund's investment programs and the liquidity and other parameters of an investment in the Spartan Fund.

Fund of hedge fund risks

The Spartan Fund is a fund of hedge funds and will employ a multi-manager strategy, with each Indirect Underlying Manager trading independently of the others. There can be no assurance that the use of a multi-manager approach will not effectively result in losses by certain of the Indirect Underlying Managers offsetting any profits achieved by others. Various Indirect Underlying Managers will from time to time compete with the others for the same positions. Conversely, opposite positions held by the Indirect Underlying Managers will be economically offsetting. Risks related to the fund of funds structure include, but are not limited to, the following: the performance of the Spartan Fund will depend on the performance of the Indirect Underlying Funds; there can be no assurance that a multi-manager approach will be successful or diversified, or that the collective performance of Indirect Underlying Funds will be profitable; one or more Indirect Underlying Funds may be allocated a relatively large percentage of the Spartan Fund's assets; the Investment Manager may have limited information regarding the activities of the Indirect Underlying Managers; in general, neither the Spartan Fund nor the Investment Manager will have the ability to direct or influence the management of the Spartan Fund's capital by Indirect Underlying Managers; BlackRock Financial Management, Inc may at times work with the Underlying Managers to structure bespoke mandates for the Indirect Underlying Funds which have potential for additional risks, conflicts or expenses which are separate from those to which the Spartan Fund is directly exposed; Indirect Underlying Funds will charge the Spartan Fund asset-based fees and typically will also be entitled to receive performance-based compensation which are in addition to the management fee and performance fee charged by the Investment Manager; shareholders will bear, indirectly, a proportionate share of the expenses of the Indirect Underlying Managers, including redemption and other costs associated with Indirect Underlying Funds; investment opportunities may be constrained by overall capacity limitations of Indirect Underlying Managers and/or Indirect Underlying Funds as well as by specific investment and regulatory considerations of the Spartan Fund and the Investment Manager's other clients; and the potential loss of key management personnel of the Indirect Underlying Managers.

Monitoring of Spartan Fund capital invested in Indirect Underlying Funds

Although the Investment Manager attempts to monitor the performance of all of its Indirect Underlying Funds, the Investment Manager must ultimately rely on: (i) the Indirect

Underlying Manager to operate in accordance with the investment guidelines governing the Indirect Underlying Fund; (ii) the accuracy of the information provided to the Investment Manager by the Indirect Underlying Manager or other service providers of the Indirect Underlying Fund; and (iii) in certain instances, available public or reported information relating to the Indirect Underlying Fund. Any failure of the Indirect Underlying Manager to operate within such guidelines, or to provide accurate information with respect to the Indirect Underlying Fund, could subject the Spartan Fund to losses. Moreover, many of the strategies implemented by the Indirect Underlying Funds rely on the financial information made available by the issuers in which the Indirect Underlying Funds invest. The Investment Manager relies on Indirect Underlying Managers to evaluate information disseminated by the issuers in which the Indirect Underlying Funds invest and is dependent upon the integrity of both the management of these issuers and the financial reporting process in general. The Spartan Fund may incur material losses as a result of an Indirect Underlying Fund holding securities of an issuer that has engaged in corporate mismanagement, fraud and accounting or other irregularities.

Liquidity management

An investment in the Spartan Fund is suitable only for sophisticated shareholders not requiring immediate liquidity for their investment. A majority of the Indirect Underlying Funds in which the Spartan Fund invests are expected to impose greater restrictions on redemptions than those imposed by the Fund. In addition, from time to time, certain Indirect Underlying Funds may suspend, gate or otherwise further limit redemptions, side pocket assets, make distributions in-kind in connection with redemption requests, or liquidate their portfolios. The Spartan Fund's inability to redeem its interests from such Indirect Underlying Funds may have a material adverse effect on the Spartan Fund's and the Fund's portfolio mix and could materially adversely affect the ability of the Investment Manager or Equity Trustees to successfully implement the investment program of the Spartan Fund or the Fund, including the Investment Manager's or Equity Trustees' ability to rebalance the Spartan Fund's or the Fund's portfolio. The limitations described above could also cause the Fund to postpone or limit future unitholder redemptions. This could also result in the Spartan Fund or the Fund being required to liquidate some or all of its assets at a time when it is not optimal to do so, which could have a material adverse effect on the portfolio.

Illiquid portfolio risk

The Indirect Underlying Funds are unregistered and interests therein and shares thereof are subject to legal or other restrictions on transfer. It may be impossible for the Spartan Fund to redeem its interests or shares in such Indirect Underlying Funds when desired or to realise their fair value in the event of such redemptions. An Indirect Underlying Fund may hold illiquid investments for several years, if not longer, before such investments are able to be liquidated or valued based on market prices.

Redemptions from the Spartan Fund may occur over an extended period of time and may cause delays to any payments of withdrawal proceeds to the Fund. (See 5.10 Withdrawals.) In addition, the Spartan Fund may determine to redeem the liquid portion of its portfolio to fund redemptions, subjecting the remaining shares held by the Fund to additional risk as a result of its portfolio being more concentrated in illiquid investments following such redemptions.

Any swaps will also be illiquid and no market will develop for selling such swaps. While it is intended for the Spartan Fund to be able to terminate such swaps, such right may incur substantial costs.

Conflicts of interest

Potential conflicts of interest exist in the structure and operation of the Spartan Fund's business and should be considered carefully before investing. For example, the Investment Manager may have potential conflicts of interest in connection with (i) allocating investment opportunities, dispositions and liquidation proceeds, (ii) entering into transactions between the Spartan Fund and the Investment Manager's other clients, (iii) valuing of Spartan Fund investments and (iv) allocating assets to affiliated funds. The Investment Manager may face potential limitations on the activities of the Spartan Fund because of regulatory requirements applicable to it and certain of its other clients. Decisions of the Investment Manager made on behalf of its other clients may negatively impact the Spartan Fund. In addition, given the breadth of activities in which the Investment Manager and its affiliates may engage, the Investment Manager may have conflicts in connection with the selection of Indirect Underlying Managers. Indirect Underlying Managers may have similar conflicts of interest.

Additional risks for the Underlying Funds

The Underlying Funds will face many of the same risks as the Fund and the Spartan Fund. Below are some key additional risks which are specific to the investment strategies employed by Underlying Funds.

Currency risk

The Underlying Managers may invest in securities denominated in currencies of other countries and, if their currencies change in value relative to the Australian dollar, the value of the investment can change. Some of the Underlying Managers aim to reduce the impact of adverse movements in overseas currencies by Hedging. There can be no assurance that the assets of the Underlying Funds will be Hedged at any, or all, times or that the Underlying Funds would benefit from a successful Hedging strategy.

Investment specific risk

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

Leverage risk

The use of Leverage by Underlying Managers may magnify any losses as well as any returns for the Underlying Funds. For example if an Underlying Fund was not Leveraged, assuming that the Underlying Fund had \$100,000 available for investment, the Underlying Fund could acquire securities/positions with a value of \$100,000 and a ten per cent decrease in value would mean a loss of \$10,000, and a ten per cent increase in value would mean a gain of \$10,000 for the Underlying Fund. If the Underlying Fund was Leveraged to twenty per cent it could acquire securities/positions (120% Long and 20% Short) to a value of \$140,000 and a ten per cent decrease in value would mean a loss of \$14,000, and a ten per cent increase in value would mean a gain of \$14,000 for the Underlying Fund.

Liquidity risk

There may be times when assets of the Underlying Funds may not be readily saleable (for example, in falling market conditions). If there is an interruption to regular trading in the market generally, or for a particular investment of an Underlying Fund, there may be delays in processing withdrawal requests for the Underlying Fund. This in turn may affect the ability of the

Responsible Entity to process withdrawal requests for the Fund. Note that none of the Responsible Entity, the Fund Manager nor the Underlying Fund Managers guarantees the liquidity of the Fund's investments.

Valuations risk

The Fund's interest in an Underlying Fund will generally be valued at an amount equal to the Fund's interest in such Underlying Fund, as determined pursuant to the instrument governing such Underlying Fund, and reported by the relevant Underlying Manager or its administrator. As a general matter, the governing instruments of the Underlying Funds provide that any securities or investments that are illiquid, not traded on an exchange or in an established market, or for which no value can be readily determined are assigned such fair value as the respective Underlying Managers may determine in their judgment based on various factors, which include, but are not limited to, dealer quotes or independent appraisals, and may include estimates. The Responsible Entity will rely on these estimates in calculating the Fund's Net Asset Value for reporting, redemptions, fees and other purposes, and generally does not make any adjustments with respect to redemption payments. Such valuations may not be indicative of what actual fair market value would be in an active, liquid, or established market. An Underlying Manager may also be required to make a valuation adjustment.

Significant and unusual circumstances at an Underlying Fund may warrant a downward Net Asset Value adjustment if required by applicable accounting principles.

Further, any swaps held by the Fund may also be difficult to value. While the value will reflect the value of the Underlying Funds (and all of these limitations), it will also reflect the costs of the swap itself, any tracking error of the Underlying Managers as well as any counterparty risk.

The Fund may also be subject to the risk of its audit report being qualified due to the Fund's inability to substantiate the "fair value" of its portfolio to the extent required by applicable accounting principles.

Underlying Manager remuneration risk

The Fund's investment performance is net of its fees and expenses. Any performance fees in the Underlying Funds may create incentives to make investment decisions that involve a higher level of risk than may otherwise be the case. Likewise, the Underlying Funds typically pay a performance-based fee to Underlying Managers, which also may create incentives for Underlying Managers to make investment decisions that involve a higher level of risk than may otherwise be the case.

Credit markets risk

Certain of the Underlying Funds will be concentrated in the credit markets, attempting to take advantage of undervalued securities as well as relative mispricings. The identification of attractive investment opportunities in disrupted credit markets is difficult and involves a significant degree of uncertainty. The credit markets are, in general, highly susceptible to interest-rate movements, government interference, economic news and investor sentiment. There was significant Volatility in the credit markets in 2007-2009. This may reoccur in the future.

Credit markets can also lack liquidity.

Convertible securities risk

Convertible securities ("Convertibles") are generally debt securities or preferred stocks that may be converted into common stock. Convertibles typically pay current income as either interest (debt security convertibles) or dividends (preferred stocks). A Convertible's value usually reflects both the stream of current income payments and the value of the underlying common stock. The market value of a Convertible

performs like that of a regular debt security; that is, if market interest rates rise, the value of a Convertible usually falls. Since it is convertible into common stock, the Convertible generally has the same types of market and issuer risk as the underlying common stock. Convertibles that are debt securities are also subject to the normal risks associated with debt securities, such as interest rate risks, credit spread expansion, and ultimately default risk. Convertibles are also subject to liquidity risk based upon market conditions.

An issuer may be more likely to fail to make regular payments on a Convertible than on its other debt because other debt securities may have a prior claim on the issuer's assets, particularly if the Convertible is preferred stock. However, Convertibles usually have a claim prior to the issuer's common stock. In addition, for some Convertibles, the issuer can choose when to convert to common stock, or can "call" (redeem) the Convertible, which may be at times that are disadvantageous for the holder. Finally, because convertible arbitrage also involves the short sale of underlying common stock, the strategy is also subject to stock-borrowing risk, which is the risk that a holder will be unable to sustain the short position in the underlying common shares.

Strategy risks

The Underlying Funds employ a range of investment strategies and practices, each of which involve special investment risk, different to the risks commonly associated with more conventional investment into the various asset classes. For example, a short selling investment strategy may magnify the potential for investment loss. The Underlying Funds may also use Leverage and Derivatives which have the potential to magnify potential gains and losses. The success of these various investment strategies relies heavily on the skills of the Underlying Managers.

Global macro and commodity strategies risk

Global macro strategies invest using economic theory to justify the decision making process. The strategy is typically based on forecasts and analysis about interest rates trends, the general flow of funds, political changes, government policies, inter-government relations, and other broad systemic and/or geopolitical factors.

Certain macro and commodity positions taken directly or indirectly by the Underlying Funds may be designed to profit from forecasting absolute price movements in a particular instrument or Asset Class. Predicting future prices is inherently uncertain and the losses incurred, if the market moves against a position, will often not be Hedged. The speculative aspect of attempting to predict absolute price movements is generally perceived to exceed that involved in attempting to predict relative price fluctuations. A number of funds formed in 2008-2009 to take directional positions in distressed credit instruments incurred major losses as the prices of such instruments fell far below the anticipated "worst case" scenario. Directional strategies implemented by the Underlying Managers in the future may find themselves similarly situated.

Short sales risk

Certain of the Underlying Funds will sell securities short. Selling securities short involves selling securities that the relevant Underlying Fund does not own. In order to make delivery to the purchaser of such securities, the Underlying Fund may borrow securities from a third party lender. The Underlying Fund subsequently must return the borrowed securities to the lender by delivering to the lender securities the Underlying Fund purchases in the open market. The Underlying Fund must generally pledge cash or other securities with the lender equal to or greater than the market price of the borrowed securities. This deposit will be increased or decreased in accordance with

changes in the market price of the borrowed securities. Accordingly, an Underlying Fund could, in theory, be exposed to an unlimited loss in the event of an unlimited increase in the market price of a borrowed security. Purchasing securities to close out the short position can itself cause the price of the securities to rise, thereby limiting profits or exacerbating losses. The risk also exists that the securities necessary to cover a short position will not be available for purchase. Additionally, arbitrage strategies involving short sales are exposed to the risk of the loss of the Hedge if the stock sold short is called by the lending broker, or the position cannot otherwise be maintained, forcing premature liquidation. The Fund Manager will manage its short selling risk by actively monitoring the Underlying Managers' short positions and by aggregating the short exposures at the portfolio level.

Futures risk

Futures markets are highly volatile. Underlying Managers investing in the futures markets need to be able to analyse correctly such markets, which are influenced by, among other things: changing supply and demand relationships; weather; governmental, agricultural, commercial, and trade programs and policies designed to influence commodity prices; world political and economic events; and changes in interest rates. Moreover, investments in commodities, futures, and options contracts involve additional risks including, without limitation, leverage (e.g., margin is usually only 5% to 15% of the face value of the contract and exposure can be nearly unlimited) and credit risk vis-à-vis the contract counterparty. Futures positions may be illiquid because certain commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as "daily price fluctuation limits" or "daily limits." Under such daily limits, during a single trading day no trades may be executed at prices beyond the daily limits. Once the price of a contract for a particular future has increased or decreased by an amount equal to the daily limit, positions in the future can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. This could prevent the Underlying Manager from promptly liquidating unfavourable positions and subject it to substantial losses.

Forward trading risk

The Underlying Managers may engage in forward trading. Forward contracts and options thereon, unlike futures contracts, are not traded on exchanges and are not standardised; rather, banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. Forward and "cash" trading is currently substantially unregulated; there is no limitation on daily price movements and speculative position limits are not applicable. The principals who deal in the forward markets are not required to continue to make markets in the currencies or commodities they trade and these markets can experience periods of illiquidity, sometimes of significant duration. There have been periods during which certain participants in these markets have been unable to quote prices for certain currencies or commodities or have quoted prices with an unusually wide spread between the price at which they were prepared to buy and that at which they were prepared to sell. Disruptions can occur in any market traded by the Underlying Funds due to unusually high trading volume, political intervention, or other factors.

The imposition of credit controls by governmental authorities may limit such forward trading to less than that which the Underlying Managers would otherwise recommend, to the possible detriment of the Underlying Fund. In their forward trading, the Underlying Funds will be subject to the risk of the failure of, or the inability or refusal to perform with respect to its forward contracts by, the principals with which the Underlying Funds trade.

Turnover risk

Underlying Managers may invest on the basis of certain short-term market considerations. The turnover rate within the Underlying Funds may be significant, potentially involving substantial brokerage commissions, fees, and other transaction costs. The Spartan Fund has no control over this turnover. In addition, the redemption of the Spartan Fund from an Underlying Fund or termination of a separate account relationship could also involve expense to the Spartan Fund under the terms of the Spartan Fund's investment.

Low credit quality securities and distressed credit risk

The Spartan Fund will be permitted to invest in Underlying Funds that may make particularly risky investments that also may offer the potential for correspondingly high returns. As a result, an Underlying Fund may lose all or substantially all of its investment in any particular instance. In addition, there is no minimum credit standard that is a prerequisite to a Underlying Fund's investment in any security. The debt securities in which a Underlying Fund is permitted to invest may be rated lower than Investment Grade and hence may be considered to be "junk bonds" or distressed securities.

Underlying Funds may invest in securities of U.S. and non-U.S. issuers in weak financial condition, experiencing poor operating results, having substantial capital needs or negative net worth, facing special competitive or product obsolescence problems, or that are involved in bankruptcy or reorganisation proceedings. Investments of this type may involve substantial financial and business risks that can result in substantial or at times even total losses. Among the risks inherent in investments in troubled entities is the fact that it frequently may be difficult to obtain information as to the true condition of such issuers.

Market disruptions risk

Adverse market conditions can lead to a "liquidity crisis," i.e., the inability to sell securities and other instruments at expected prices. In 1998 and during 2007-2009, this inability to sell at anticipated values led, in certain cases, to the inability to meet margin calls and to meet investor withdrawal requests. In turn, the inability to meet margin calls led to the collapse of some hedge fund portfolios as dealers cut credit lines. There can be no assurance that future market conditions will not result in similar liquidity crises. The high-risk nature of the Underlying Funds' portfolios makes the Spartan Fund particularly vulnerable to market disruptions as well as major investor migration trends toward more liquid, less risky instruments at the expense of liquidity in the markets in which some Underlying Funds trade.

The Spartan Fund may incur major losses in the event of disrupted markets and other extraordinary events in which historical pricing relationships (on which the Underlying Managers may base a number of their investment decisions) become materially distorted. The risk of loss from pricing distortions is compounded by the fact that in disrupted markets many positions become illiquid, making it difficult or impossible to close out positions against which the markets are moving. The financing available to the Underlying Managers from their dealers and other counterparties is typically reduced in disrupted markets. Such a reduction may result in substantial losses to the Underlying Funds. Market disruptions may from time to time cause dramatic losses for the Underlying Funds, and such events can result in otherwise historically low-risk strategies performing with significant volatility and risk.

Currency risk

The Underlying Managers may invest in securities denominated in currencies of other countries and, if their currencies change in value relative to the Australian dollar, the value of the investment can change. The Underlying Managers may aim to reduce the

impact of adverse movements in overseas currencies by Hedging. There can be no assurance that the assets of the Underlying Funds will be Hedged at any, or all, times or that the Underlying Funds would benefit from a successful Hedging strategy.

Leverage risk

The use of Leverage by Underlying Managers may magnify any losses as well as any returns for the Underlying Funds. For example if a Underlying Fund was not Leveraged, assuming that the Underlying Fund had \$100,000 available for investment, the Underlying Fund could acquire securities/positions with a value of \$100,000 and a ten per cent decrease in value would mean a loss of \$10,000, and a ten per cent increase in value would mean a gain of \$10,000 for the Underlying Fund. If the Underlying Fund was leveraged such that its long exposure was 300% it could acquire securities/positions to a value of \$300,000 and a ten per cent decrease in value would mean a loss of \$30,000, and a ten per cent increase in value would mean a gain of \$30,000 for the Underlying Fund. An Underlying Fund will likely, however, have both long and short exposure. If an Underlying Fund was leveraged and its long exposure was 200% and its short exposure was 100%, the short exposure could mitigate some of the losses due to a decline in the value of the Underlying Fund's long positions. In certain circumstances, however, an Underlying Fund could experience losses on both its long positions and its short positions and where the Underlying Fund is leveraged, leverage will, as in the example, magnify those losses (regardless of whether the losses relate to long or short exposure).

Derivative risk

The Underlying Managers may use a variety of Derivatives in implementing their investment strategies on behalf of the Underlying Funds. The pricing of these Derivatives is uncertain, variable and based primarily on theoretical models, the outputs of which may vary substantially from the prices actually recognized in the market. The market for many types of Derivatives is comparatively illiquid and inefficient, creating the potential for substantial mispricings, as well as sustained deviations between theoretical and market value. The primary risks associated with the use of Derivatives are (i) model risk, (ii) market risk and (iii) counterparty risk. The investments in over-the-counter Derivatives by the Underlying Funds are subject to greater risk of counterparty default and less liquidity than exchange-traded Derivatives, although exchange-traded Derivatives are subject to risk of failure of the exchange on which

they are traded and the clearinghouse through which they are guaranteed. Counterparty risk includes not only the risk of default and failure to pay mark-to-market amounts and return risk premium, but also the risk that the market value of over-the-counter Derivatives will fall if the creditworthiness of the counterparties to those Derivatives weakens.

Emerging Markets risk

Certain Underlying Funds may invest in securities and related instruments in Emerging Markets. The value of Emerging Markets securities may be drastically affected by political developments in the country of issuance. In addition, the existing governments in the relevant countries could take actions that could have a negative impact on such Underlying Fund, including nationalisation, expropriation, imposition of confiscatory taxation or regulation, or imposition of withholding taxes. The economies of many of the Emerging Markets countries are still in the early stages of modern development and are subject to abrupt and unexpected change. In many cases, governments retain a high degree of direct control over the economy and may take actions having sudden and widespread effects. Also, many Emerging Markets countries have a high dependence on a small group of markets or even a single market. Emerging Markets countries tend to have periods of high inflation and high interest rates as well as substantial volatility in interest rates. The value of Emerging Markets securities can be expected to be sensitive to changes in interest rates worldwide and, in particular, in the country of the relevant issuer.

Sector and small cap risks

Certain Underlying Managers focus their investment activities in certain industry sector or market segments. The investment portfolio of that Underlying Manager may be subject to more rapid changes in value than would be the case if the portfolio maintained a wide diversification among industries, companies, and types of securities. Certain Underlying Managers focus on micro cap and small cap companies. While these smaller companies may have significant potential for growth, they may also be higher risk investments. Small start-up companies often lack the capability to diversify, a wide customer base, extensive manufacturing capability or experience, and access to capital markets, which factors may severely limit their ability to grow. Small cap stocks typically are not traded by institutional investors and thus involve a relative lack of liquidity.

7. Investing and withdrawing

Distributions

A distribution comprises the investor's share of any net income (including taxable capital gains) earned by a Fund. An investor's share of any distributable income is calculated in accordance with the Constitution of the Fund and is generally based on the number of units held by the investor at the end of the distribution period. However, in some circumstances, an investor may also receive a distribution from the Fund where they have made a large withdrawal from the Fund, such as where the withdrawal comprises 5% or more of the units on issue. In these circumstances their withdrawal proceeds are taken to include a component of distributable income and there is a reduction in the amount of distributable income distributed at the end of each distribution period.

The Fund calculates its distributable income annually at 30 June. You can elect to have your distribution:

- reinvested back into the Fund; or
- directly credited to your nominated bank account.

If you do not make a direction, your distribution will be reinvested. If reinvestment applies, the application will be deemed to be received immediately before the next time of valuation of investments after the end of the relevant distribution period.

Indirect Investors should review their IDPS Guide for information on how and when they receive any distribution.

Valuation of the Fund and Application Price of Units

The value of the investments of the Fund is generally determined monthly but may be more frequently in accordance with the Constitution of the Fund. Generally, investments will be valued at the next available market value but other valuation methods and policies may be applied by Equity Trustees if appropriate.

The value of a unit in the Fund is determined on the basis of the value of the investments in the Fund (after taking into account any liabilities of the Fund), in accordance with the Constitution of the Fund. The application price of a unit in the Fund is based on the Net Asset Value of the Fund divided by the number of units on issue plus an allowance for transaction costs required for buying investments in determining the application price of a unit in the Fund. This allowance is known as the Buy Spread. At the date of this PDS, the Buy Spread is 0.05%.

Unit pricing discretions policy

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

Initial applications

To invest, please complete the Application Form accompanying this PDS and attach your cheque and send with relevant certified identification documentation as outlined in the Application Form to:

Apex Fund Services Pty Ltd
Client Services Registry Team
GPO Box 4968
Sydney NSW 2001

Cheques should be made payable to:

Equity Trustees Limited as RE for MCG Endowment Strategy Fund Application Account

Alternatively, transfer funds via EFT to:

Bank: National Australia Bank Limited
BSB: 082 401

Account Number: 72 349 8826

Account Name: Equity Trustees Limited as RE for MCG Endowment Strategy Fund Application Account

Please note that cash cannot be accepted. Investors investing through an IDPS should use the application form attached to their IDPS Guide (and not the Application Form attached to this PDS) to invest in the Fund.

At the date of this PDS, the minimum initial investment amount is \$250,000. If you are an Indirect Investor you should refer to the IDPS Guide or IDPS Operator for the minimum initial investment amount.

Additional applications

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

Attention: Client Services Registry Team – MCG Endowment Strategy Fund
+612 9251 3525

The same terms apply as for initial applications. The minimum additional application amount is \$25,000.

Terms and conditions for applications

Applications can be made on any Business Day. For unit pricing purposes and income accrual purposes any application received after 2:00pm on the Cut Off Date will generally be treated as having been received after the Cut Off Date. Applications received prior to 2:00pm on the Cut Off Date will generally receive the application price determined for that month.

Please note that we do not pay interest on monies received prior to the Cut Off Date (any interest is credited to the Fund). If you are an Indirect Investor, you need to contact your IDPS Operator regarding the cut-off times for pricing purposes.

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

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

Making a withdrawal

Investors in the Fund can withdraw their investment by mailing a withdrawal request to:

Apex Fund Services Pty Ltd
Client Services Registry Team
GPO Box 4968
Sydney NSW 2001
or by facsimile to +612 9251 3525

The minimum withdrawal amount is \$50,000.

All withdrawal requests must be signed by the investor(s). Withdrawal requests can be made on any Business Day. For unit pricing purposes any withdrawal request received after 2:00pm on the Cut Off Date will generally be treated as having been received after the Cut Off Date. Withdrawal requests received prior to 2:00pm on the Cut Off Date will generally receive the withdrawal price determined for that month. Withdrawals will be credited directly into your nominated Australian bank account.

If the Fund is valued more frequently than monthly cut-off times will be amended accordingly.

Alternatively, if you are an Indirect Investor, you will need to provide your withdrawal request directly to your IDPS Operator. You will need to contact the relevant IDPS Operator regarding their withdrawal request cut-off times for pricing purposes. The time to process a withdrawal request will depend on the particular IDPS Operator. You should refer to the IDPS Guide for the minimum withdrawal amount.

The withdrawal price of a unit in the Fund is based on the NAV of the Fund divided by the number of units on issue less an allowance for transaction costs required for selling investments. This allowance is known as the Sell Spread. At the date of this PDS, the Sell Spread is 0.00%.

Access to your money

Subject to the restrictions on withdrawals (see 5.10 Withdrawals and Terms and conditions for withdrawals below), the Responsible Entity will (in the normal course) allow investors of the Fund to access their investment within 14 Business Days after the next Valuation Date providing your withdrawal request is received within the required Cut Off Date.

The Fund Constitution requires the Responsible Entity to make payment as soon as practicable after the relevant Valuation Date but (if circumstances require) the Responsible Entity may delay payment up to 90 days after the redemption monies become available. If this happens, or there are any other changes to your withdrawal rights, the Responsible Entity will provide notice in writing.

If you have invested indirectly in the Fund through an IDPS, you need to provide your withdrawal request directly to your IDPS Operator. The time to process a withdrawal request will depend on the particular IDPS Operator.

Terms and conditions for withdrawals

The Responsible Entity is not required to give effect to a withdrawal request if it is for less than the minimum withdrawal amount of \$50,000. If compliance with a withdrawal request would result in an investor holding units valued at less than the minimum balance, the Responsible Entity may refuse the withdrawal request or treat the withdrawal request as relating to the balance of the investor holding. The Responsible Entity may at its discretion increase the minimum investment amount and minimum balance and may upon giving 30 days' notice to investors redeem any unit holding that is below the minimum balance amount without a withdrawal request.

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

The investor also agrees that any payment made in accordance with a facsimile withdrawal request shall be a complete satisfaction of the obligations of Equity Trustees,

notwithstanding any fact or circumstance including that the payment was made without the investor's knowledge or authority. The investor agrees that if the payment is made in accordance with a facsimile withdrawal request, the investor and any person claiming through or under them shall have no claim against Equity Trustees in relation to the payment.

The Responsible Entity may limit withdrawals any one Valuation Date to 10% of the Fund value (as at the previous Valuation Date). If this limit applies, all withdrawal requests received during the month will be accepted for the next Valuation Date and will be paid on a pro-rata basis for that Valuation Date and each subsequent Valuation Date until paid in full.

Joint account operation

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

Appointment of Authorised Nominee to operate account

Investors may elect to appoint an authorised nominee to operate their account. The relevant sections on the Application Form need to be completed, including the name and signature of the authorised nominee, the signature of the investor and the date. Only investors can appoint authorised nominees. If you appoint an authorised nominee we suggest that you ensure that:

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

If the Responsible Entity determines that the circumstances require, the Responsible Entity may cancel an appointment by giving the investor 14 days' notice in writing. If an appointment is cancelled, the Responsible Entity will not be obliged to act on the instructions of the authorised nominee. If the instructions are varied, the Responsible Entity will act only in accordance with the varied instructions. By completing and lodging the relevant sections on authorised nominees on the Application Form you release, discharge and agree to indemnify the Responsible Entity from and against any and all losses, liabilities, actions, proceedings, account claims and demands arising from the Responsible Entity acting on the instructions of your authorised nominee.

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

An authorised nominee can, among other things:

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

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

IDPS investors

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

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

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

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

8. Keeping track of your investment

Enquiries

For any enquiries regarding your investment or the management of the Fund please contact MCG Wealth

Mail: Attn.: Brent McGoldrick
MCG Wealth Management
Suite 6, Lingate House
409-411 New South Head Road
DOUBLE BAY NSW 2028

Phone: +612 9327 7395

Fax: +612 9475 0411

Email: brent.mcgoldrick@mcgwealth.com.au

Web: www.mcgwealth.com.au

Complaints resolution

Equity Trustees has an established complaints handling process and is committed to properly considering and resolving all complaints. If you have a complaint about your investment, please contact us on:

Phone: 1300 133 472

Post: Equity Trustees Limited

GPO Box 2307, Melbourne VIC 3001

Email: compliance@eqt.com.au

We will acknowledge receipt of the complaint within 1 Business Day or as soon as possible after receiving the complaint. We will seek to resolve your complaint as soon as practicable but not more than 30 calendar days after receiving the complaint.

If you are not satisfied with our response to your complaint, you may be able to lodge a complaint with the Australian Financial Complaints Authority ("AFCA").

Contact details are:

Online: www.afca.org.au

Phone: 1800 931 678

Email: info@afca.org.au

Post: GPO Box 3, Melbourne VIC 3001.

The external dispute resolution body is established to assist you in resolving your complaint where you have been unable to do so with us. However, it's important that you contact us first.

Reports

We will make the following statements available to all investors;

- A transaction confirmation statement, showing a change in your unit holding (provided when a transaction occurs or on request).
- The Fund's annual audited accounts for each period ended 30 June.
- Annual distribution, tax and confirmation of holdings statements for each period ended 30 June.
- Annual report detailing each of the following:
 - the actual allocation to each asset type;
 - the liquidity profile of the portfolio assets as at the end of the period;
 - the maturity profile of the liabilities as at the end of the period;
 - the derivative counterparties engaged (including capital protection providers);

- the leverage ratio (including leverage embedded in the assets of the Fund, other than listed equities and bonds) as at the end of the period; and
- the key service providers if they have changed since the latest report given to investors, including any change in their related party status.

The latest annual report will be available online from www.eqt.com.au/insto.

The following information is available on MCG Wealth's website and/or is disclosed monthly:

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

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

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

If and when the Fund has 100 or more direct investors, it will be classified by the Corporations Act as a 'disclosing entity'. As a disclosing entity the Fund will be subject to regular reporting and disclosure obligations. Investors would have a right to obtain a copy, free of charge, of any of the following documents:

- the most recent annual financial report lodged with ASIC ("Annual Report");
- any subsequent half yearly financial report lodged with ASIC after the lodgement of the Annual Report; and
- any continuous disclosure notices lodged with ASIC after the Annual Report but before the date of this PDS.

Equity Trustees will comply with any continuous disclosure obligation by lodging documents with ASIC as and when required.

Copies of these documents lodged with ASIC in relation to the Fund may be obtained through ASIC's website at www.asic.gov.au.

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

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

You may be able to negotiate to pay lower 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) has a managed funds fee calculator to help you check out different fee options.

Fees and other costs

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.

Fees and Costs Summary

MCG Endowment Strategy Fund		
Type of fee or cost	Amount	How and when paid
Ongoing annual fees and costs¹		
<i>Management fees and costs</i> The fees and costs for managing your investment	1.87% of the NAV of the Fund	The management fees component of management fees and costs are accrued monthly and paid from the Fund monthly in arrears and reflected in the unit price. Otherwise, the fees and costs are variable and deducted and reflected in the unit price of the Fund as they are incurred. The management fees component of management fees and costs can be negotiated. Please see "Differential fees" in the "Additional Explanation of Fees and Costs" for further information.
<i>Performance fees</i> Amounts deducted from your investment in relation to the performance of the product	1.81% of the NAV of the Fund ²	Any performance fees at the interposed vehicle level are reflected in the value of the Fund's investment in the relevant interposed vehicle, and therefore reflected in the unit price.
<i>Transaction costs</i> The costs incurred by the scheme when buying or selling assets	0.74% of the NAV of the Fund	Transaction costs are variable and deducted from the Fund as they are incurred and reflected in the unit price. They are disclosed net of amounts recovered by the buy-sell spread.
Member activity related fees and costs (fees for services or when your money moves in or out of the scheme)		
<i>Establishment fee</i> The fee to open your investment	Not applicable	Not applicable
<i>Contribution fee</i> The fee on each amount contributed to your investment	Not applicable	Not applicable

MCG Endowment Strategy Fund

Buy-sell spread An amount deducted from your investment representing costs incurred in transactions by the scheme	0.10% upon entry and 0.00% upon exit	These costs are an additional cost to the investor but are incorporated into the unit price and arise when investing application monies and funding withdrawals from the Fund and are not separately charged to the investor. The Buy Spread is paid into the Fund as part of an application and the Sell Spread is left in the Fund as part of a redemption.
Withdrawal fee The fee on each amount you take out of your investment	Not applicable	Not applicable
Exit fee The fee to close your investment	Not applicable	Not applicable
Switching fee The fee for changing investment options	Not applicable	Not applicable

¹ All fees quoted above are inclusive of Goods and Services Tax (GST) and net of any Reduced Input Tax Credits (RITC). See below for more details as to how the relevant fees and costs are calculated.

² This represents the performance fee in respect of the interposed vehicles in which the Fund invests. See "Performance fees" below for more information.

Additional Explanation of Fees and Costs

Management fees and costs

The management fees and costs include amounts payable for administering and operating the Fund, investing the assets of the Fund, expenses and reimbursements in relation to the Fund and indirect costs if applicable.

Management fees and costs do not include performance fees or transaction costs, which are disclosed separately.

The management fees component of management fees and costs of 0.84% p.a. of the NAV of the Fund is payable to the Responsible Entity of the Fund for managing the assets and overseeing the operations of the Fund. The management fees component is accrued monthly and paid from the Fund monthly in arrears and reflected in the unit price. As at the date of this PDS, the management fees component covers certain ordinary expenses such as Responsible Entity fees, investment management fees, custodian fees, and administration and audit fees.

The indirect costs and other expenses component of 1.03% p.a. of the NAV of the Fund may include other ordinary expenses of operating the Fund, as well as management fees and costs (if any) arising from interposed vehicles in or through which the Fund invests. The indirect costs and other expenses component is variable and reflected in the unit price of the Fund as the relevant fees and costs are incurred. They are borne by investors, but they are not paid to the Responsible Entity or Investment Manager. The indirect costs and other expenses component is based on the relevant costs incurred during the financial year ended 30 June 2022.

Actual indirect costs for the current and future years may differ. If in future there is an increase to indirect costs disclosed in this PDS, updates will be provided on Equity Trustees' website at www.eqt.com.au/insto where they are not otherwise required to be disclosed to investors under law.

Performance fees

Performance fees include amounts that are calculated by reference to the performance of interposed vehicles through which the Fund invests. The performance fees for the Fund are 1.81% of the NAV of the Fund.

The performance fee figure that is disclosed in the Fees and Costs Summary is generally based on an average of the

performance fees over the previous five financial years, where each performance fee relevant to the Fund is averaged and totalled to give the performance fees for the Fund.

Please note that the performance fees disclosed in the Fees and Costs Summary is not a forecast as the actual performance fee for the current and future financial years may differ. The Responsible Entity cannot guarantee that performance fees will remain at their previous level or that the performance of the Fund will outperform the Benchmark.

It is not possible to estimate the actual performance fee payable in any given period, as we cannot forecast what the performance of the Fund will be. Information on current performance fees will be updated from time to time and available at www.eqt.com.au/insto.

Transaction costs

In managing the assets of the Fund, the Fund may incur transaction costs such as brokerage, buy-sell spreads in respect of the underlying investments of the Fund, settlement costs, clearing costs and applicable stamp duty when assets are bought and sold. Transaction costs also include costs incurred by interposed vehicles in which the Fund invests (if any), that would have been transaction costs if they had been incurred by the Fund itself. Transaction costs are an additional cost to the investor where they are not recovered by the Buy/Sell Spread and are generally incurred when the assets of the Fund are changed in connection with day-to-day trading or when there are applications or withdrawals which cause net cash flows into or out of the Fund.

The Buy/Sell Spread that is disclosed in the Fees and Costs Summary is a reasonable estimate of transaction costs that the Fund will incur when buying or selling assets of the Fund. These costs are an additional cost to the investor but are incorporated into the unit price and arise when investing application monies and funding withdrawals from the Fund and are not separately charged to the investor. The Buy Spread is paid into the Fund as part of an application and the Sell Spread is left in the Fund as part of a redemption and not paid to Equity Trustees or the Investment Manager. The estimated Buy/Sell Spread is 0.10% upon entry and 0.00% upon exit. The dollar value of cost based on an application of \$250,000 is \$125 for each individual transaction. The dollar value of cost based on a withdrawal of \$250,000 is \$0 for each individual transaction. The Buy/Sell

Spread can be altered by the Responsible Entity at any time and www.eqt.com.au/insto will be updated as soon as practicable to reflect any change. The Responsible Entity may also waive the Buy/Sell Spread in part or in full at its discretion. The transaction costs figure in the Fees and Costs Summary is shown net of any amount recovered by the Buy/Sell Spread charged by the Responsible Entity.

Transaction costs generally arise through the day-to-day trading of the Fund's assets and are reflected in the Fund's unit price as an additional cost to the investor, as and when they are incurred.

The gross transaction costs for the Fund are 0.75% p.a. of the NAV of the Fund, which is based on the relevant costs incurred during the financial year ended 30 June 2022.

However, actual transaction costs for future years may differ.

Can the fees change?

Yes, all fees can change without investor consent, subject to the maximum fee amounts specified in the Constitution. The current maximum management fee to which Equity Trustees is entitled is 2.00% of the GAV of the Fund. However, Equity Trustees does not intend to charge that amount and will generally provide investors with at least 30 days' notice of any proposed increase to the management fees component of management fees and

costs. In most circumstances, the Constitution defines the maximum level that can be charged for fees described in this PDS. Equity Trustees also has the right to recover all reasonable expenses incurred in relation to the proper performance of its duties in managing the Fund and as such these expenses may increase or decrease accordingly, without notice.

Payments to IDPS Operators

Subject to the law, annual payments may be made to some IDPS Operators because they offer the Fund on their investment menus. Product access is paid by the Investment Manager out of its investment management fee and is not an additional cost to the investor.

Differential fees

The Investment Manager may from time to time negotiate a different fee arrangement (by way of a rebate or waiver of fees) with certain investors who are Wholesale Clients. Please contact the Investment Manager on (02) 9327 7395 for further information.

Taxation

Please refer to Section 10 of the Product Disclosure Statement for further information on taxation.

Example of annual fees and costs for an investment option

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

EXAMPLE – MCG Endowment Strategy Fund		
BALANCE OF \$300,000 WITH A CONTRIBUTION OF \$5,000 DURING THE YEAR		
Contribution Fees	Nil	For every additional \$5,000 you put in, you will be charged \$0
Plus Management fees and costs	1.87% p.a.	And, for every \$300,000 you have in the MCG Endowment Strategy Fund you will be charged or have deducted from your investment \$5,610 each year
Plus Performance fees	1.81% p.a.	And, you will be charged or have deducted from your investment \$5,430 in performance fees each year
Plus Transaction costs	0.74% p.a.	And, you will be charged or have deducted from your investment \$2,220 in transaction costs
Equals Cost of MCG Endowment Strategy Fund		If you had an investment of \$300,000 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: \$13,260* What it costs you will depend on the investment option you choose and the fees you negotiate.

* Additional fees may apply. Please note that this example does not capture all the fees and costs that may apply to you such as the Buy/Sell Spread.

This example assumes the \$5,000 contribution occurs at the end of the first year, therefore the fees and costs are calculated using the \$300,000 balance only.

Warning: If you have consulted a financial adviser, you may pay additional fees. You should refer to the Statement of Advice or Financial Services Guide provided by your financial adviser in which details of the fees are set out.

ASIC provides a fee calculator on www.moneysmart.gov.au, which you may use to calculate the effects of fees and costs on account balances. The performance fees stated in this table are based on the average performance fee for the interposed vehicles through which the Fund invests, over the previous five financial years. The performance of the Fund for this financial year, and the performance fees, may be higher or lower or not payable in the future. It is not a forecast of the performance of the Fund or the amount of the performance fees in the future.

The indirect costs and other expenses component of management fees and costs and transaction costs may also be based on estimates. As a result, the total fees and costs that you are charged may differ from the figures shown in the table.

10. Taxation

The following summary of taxation matters is a general guide that outlines the Australian income tax implications applicable to the Fund, Australian tax resident individual and trust investors who hold their investment in the Fund on capital account and complying superannuation fund investors.

The summary does not constitute tax advice. The summary is based on the tax laws applicable as at the date of this PDS. The tax laws are subject to continual change, and as the tax treatment applicable to particular investors may differ, it is strongly recommended that all investors seek their own professional advice on the taxation implications of investing in the Fund.

Taxation of the Fund

The Fund is an Australian resident trust for tax purposes.

As such, it is required to determine its net (taxable) income each income year. The Fund's net (taxable) income may consist of franked and unfranked dividends (including foreign dividends), derivative gains, income attributable to a controlled foreign company and capital gains. In calculating the Fund's net (taxable) income, the cash component of any franked dividends and foreign dividends will be grossed up to include franking credits and foreign income tax offsets attached to those dividends. Further, the funds discount capital gains (broadly relating to assets held for 12 months or more) may be reduced by the CGT discount which is 50%. Finally, the Fund's net (taxable) income will be determined after having taken into account any tax deductible expenditures incurred by the fund to derive this income.

The Fund itself should not be liable to pay Australian income tax in relation to its net (taxable) income where the Fund's investors are presently entitled to the Fund's distributable income (broadly the cash distribution of the fund regardless of whether actually paid to a particular investor or reinvested for that investor and not necessarily equal to the Fund's net (taxable) income) each income year. Rather, each investor should include a proportionate share of the fund's net (taxable) income in their assessable income (as discussed below).

Where the Fund makes a capital loss, this loss can only be used to reduce capital gains. Where the fund is in a net capital or tax loss position in any income year, the investors are not able to apply the Fund's loss to reduce their other taxable capital gains or income. However, subject to meeting certain loss carry forward conditions in respect of tax losses, the Fund may be able to utilise those losses to reduce its capital gains (in the case of carried forward capital losses) or taxable income (in the case of carried forward tax losses) in subsequent income years.

The Fund may be subject to foreign income tax where it makes foreign investments. Foreign income tax offsets may be available where foreign income tax has been paid by the Fund in respect of its foreign income.

Distributions

An investor's entitlement (share) to the distributable income of the Fund for a year of income make that investor liable to a proportionate share of the Fund's net (taxable) income for that income year, including amounts received in a subsequent year of income which are reinvested or form part of withdrawal proceeds. In this regard, the Fund will provide an annual distribution statement to investors each year to inform them of their share of the net (taxable) income of the Fund, including the components which make up that share (e.g. franked dividends, franking credits, unfranked dividends, foreign income, other income, discount capital gains, CGT concession etc).

Franking credits and franked dividends

Generally an investor's share of the Fund's net (taxable) income, may include franked dividends and franking credits derived by the Fund. Investors should include the franked dividends and the franking credits they receive in their assessable income, and may be entitled to reduce the tax they have to pay by the amount of the franking credit. Any excess franking credits may be refundable to individuals and complying superannuation funds.

Foreign income tax offsets

Generally an investor's share of the Fund's net (taxable) income, may include foreign income (which will generally represent foreign dividends paid to the fund). Investors should include the foreign income, including any foreign income tax offsets attaching to that income, in their assessable income and may be entitled to reduce the tax they have to pay by the amount of the foreign income tax offset.

Attributable Income

The Fund's shareholding in the Spartan Fund may constitute an interest in a controlled foreign company ('CFC') for Australian income tax purposes. Consequently, investors may be liable to Australian income tax in respect of their share of certain income derived by the Spartan Fund even where such amounts are not distributed in that income year. The attributable income to be included in your Australian tax return will be included in your tax distribution statement.

Discount capital gain

If an investor's share of the net (taxable) income of the Fund includes an amount that consists of discount capital gains derived by the Fund, the investor needs to first 'gross up' the discount capital gain (by multiplying it by 2). However, (after grossing up any discount capital gains) investors may be able to reduce the capital gains distributed by the fund by any capital losses which are available to them. Furthermore, after applying any capital loss, individual, trust, and complying superannuation fund investors may then be entitled, in determining the net capital gain that is to be included in their assessable income, to discount that capital gain in calculating their assessable income (by 50% for individuals and certain trusts and 33.3% for complying superannuation funds).

Non-assessable distribution payments

Distributions of non-assessable amounts are generally not subject to tax. This may arise where the Fund's distributable income is higher than its net (taxable) income, for reasons other than the capital gains discount (discussed above). Although the receipt of non-assessable amounts is generally not subject to tax, the receipt of certain non-assessable amounts may have capital gains tax consequences. Broadly, the receipt of certain non-assessable amounts may reduce the cost base and reduced cost base of the investor's investment in the Fund. If the cost base reduces to zero, any additional non-assessable receipts may give rise to an immediately taxable capital gains. If the cost base is not reduced to zero, the reduction to the cost base and reduced cost base may result in either an increased capital gain or a reduced capital loss on the subsequent disposal of the investment in the Fund.

To the extent that the investors share of the Fund's distribution includes a CGT concession component, no adjustment to the cost base or reduced cost base of the underlying investment in the Fund should be required.

Disposal of units by investors

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

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

It is not compulsory for an investor to quote their TFN or ABN. However, unless exempted, failure by an investor to quote an

ABN or TFN will result in tax being withheld by the Responsible Entity on distributions paid to the investor at the top marginal tax rate plus the Medicare and Budget Repair Levies. The investor may be able to claim a credit in the investors' tax return for any TFN/ABN tax withheld. By quoting their TFN or ABN on its Application Form for the Fund, the investor authorises Equity Trustees to apply it in respect of all the investor's investments with Equity Trustees. If the investor does not want to quote their TFN or ABN for some investments, Equity Trustees should be advised.

11. Other important information

Cooling off period

If you are a Retail Client you may have a right to 'cool off' in relation to an investment in the Fund within 14 days of the earlier of:

- confirmation of the investment being received or available; and
- the end of the fifth business day after the units are issued or sold.

A Retail Client may exercise this right by notifying Equity Trustees in writing at the address as stated above. A Retail Client is entitled to a refund of their investment adjusted for any increase or decrease in the relevant application price between the time we process your application and the time we receive the notification from you, as well as any other tax and other reasonable administrative expenses and transaction costs associated with the acquisition and termination of the investment.

The right of a Retail Client to cool off does not apply in certain limited situations, such as if the issue is made under a distribution reinvestment plan, switching facility or represents additional contributions required under an existing agreement. Also, the right to cool off does not apply to you if you choose to exercise your rights or powers as a unit holder in the Fund during the 14 day period; this could include selling part of your investment or switching it to another product.

Indirect Investors should seek advice from their IDPS Operator as to whether cooling off rights apply. The right to cool off may not apply if you are an Indirect Investor, even if you are a Retail Client. The terms and conditions of the IDPS Guide or similar type document will govern your investment in relation to the Fund and any rights you may have in this regard.

Unit holder's liability

The Constitution for the Fund provides that unless there is a separate agreement with a unit holder, no unit holder can be called on to contribute to the assets of the Fund or to its creditors if the Fund is liquidated or becomes insolvent. Therefore it is expected that unit holders will not be under any obligation if a deficiency in the assets of the Fund was to occur. However, this view has not been fully tested and so it is not possible to give an absolute assurance that a unit holder's liability will be limited in all circumstances.

In general, the liability of a unit holder is limited to the amount (if any) which remains unpaid in relation to their subscription for units in the Fund and certain amounts in respect of tax. The Responsible Entity is permitted to deduct certain amounts owed to the Responsible Entity from amounts payable to unit holders and is permitted to redeem units to recover amounts of money due to it by unit holders.

Non-listing of units

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

Termination of the Fund

The Responsible Entity may resolve at any time to terminate and liquidate the Fund (if it provides investors with notice) in accordance with the Constitution and the Corporations Act. Upon termination and after conversion of the assets of the Fund into cash and payment of, or provision for, all costs, expenses

and liabilities (actual and anticipated), the net proceeds will be distributed pro-rata among all unit holders according to the aggregate of the withdrawal price for each of the units they hold in the Fund.

Constitution of the Fund

Equity Trustees' responsibilities and obligations as the responsible entity of the Fund are governed by the Constitution of the Fund as well as the Corporations Act and general trust law.

The Constitution contains a number of provisions relating to the rights, terms, conditions and obligations imposed on both Equity Trustees as the responsible entity of the Fund and unit holders. Some of the provisions of the Constitution are discussed elsewhere in this PDS. Others relate to your rights as a unit holder including:

- your right to share in any Fund income, and how we calculate it;
- how we must calculate unit prices and what you are entitled to receive when you withdraw or if the Fund is wound up;
- your right to withdraw from the Fund - subject to the times when we can delay processing withdrawals, such as if the Fund becomes 'illiquid' or if circumstances beyond our control exist, or deny a withdrawal request (for example, when the Fund has terminated);
- the nature of the units - a unit confers an equal interest in the assets of the Fund but does not confer an interest in any particular assets. Identical rights attach to all units;
- your rights to attend and vote at meetings - are mainly contained in the Corporations Act. The Corporations Act sets out certain circumstances in which unit holders can call meetings. Under the Constitution of the Fund, the Responsible Entity may convene a meeting at any time. Resolutions passed at meetings are binding on all unit holders; and
- your ability to transfer units in accordance with the Constitution of the Fund. The Responsible Entity has discretion to refuse to register a transfer of units.

There are also provisions governing our powers and duties, including:

- how we calculate unit prices, the maximum amount of fees we can charge and expenses we can recover;
- when we can amend the Constitution of the Fund - generally we can only amend the Constitution of the Fund where we reasonably believe that the changes will not adversely affect your rights as a unit holder. Otherwise the Constitution of the Fund can only be amended if approved by unit holders;
- when we can retire as the responsible entity of the Fund - which is as permitted by law;
- when we can be removed as the responsible entity of the Fund - which is as required by law; and
- our broad powers to invest, borrow and generally manage the Fund - we do not currently intend to borrow funds to acquire assets for the Fund, although this is permitted under the Constitution of the Fund.

The Constitution of the Fund also deals with our liabilities in relation to the Fund and when we can be reimbursed for liabilities out of the Fund's assets, for example:

- subject to the Corporations Act, we are not liable for acting in reliance and good faith on professional advice;

- subject to the Corporations Act, we are not liable for any loss unless we fail to act in good faith or without gross negligence; and
- we can be reimbursed for all expenses we incur in connection with the proper performance of our duties in respect of the Fund.

As mentioned above, Equity Trustees' responsibilities and obligations as the responsible entity of the Fund are governed by the Constitution of the Fund as well as the Corporations Act and general trust law, which also provide that we:

- act in the best interests of unit holders, and if there is a conflict between unit holders' interests and our own, give priority to unit holders;
- ensure the property of the Fund is clearly identified, held separately from other funds and our assets, and is valued regularly;
- ensure payments from property of the Fund are made in accordance with the Constitution and the Corporations Act; and
- report to ASIC breaches of the Corporations Act in relation to the Fund which has had, or is likely to have, a materially adverse effect on unit holders' interests.

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

Compliance Plan

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

Attribution Managed Investment Trusts ("AMIT")

In May 2016, the Australian Federal Government enacted legislation establishing a new tax system for Attribution Managed Investment Trusts ('AMITs'). Managed funds that meet the eligibility criteria to be an AMIT may elect into the AMIT rules. The Fund has elected into AMIT, therefore the following applies:

Fair and reasonable attribution

Each year, the Fund's determined trust components of assessable income, exempt income, non-assessable non-exempt income and tax offsets (i.e. credits) will be allocated to investors on a "fair and reasonable" attribution basis, rather than being allocated proportionally based on each investor's present entitlement to the income of the trust.

Unders or Overs adjustments

Where the Fund's determined trust components for a year are revised in a subsequent year (e.g. due to actual amounts differing to the estimates of income, gains / losses or expenses), then unders and overs may arise. Unders and overs will generally be carried forward and adjusted in the year of discovery.

Cost base adjustments

Where the distribution made is less than (or more than) certain components attributed to investors, then the cost base of an investor's units may be increased (or decreased). Details of cost base adjustment will be included on an investor's annual tax statement, referred to as an AMIT Member Annual Statement ("AMMA").

Large redemptions

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

Multi-class AMITs

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

Penalties

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

Prior to the AMIT multi-class election being made (as described above), the Fund is treated as a single taxpayer. As the classes are not treated as separate taxpayers, it is possible under the current taxation regime that the tax character of distributions made to a particular class may be impacted by transactions associated with another class. The Constitution will provide a mechanism to seek to minimise this outcome. Insofar as possible, the Constitution seeks to quarantine the income associated with a particular class to that class.

CPI

Means the Australia CPI All Groups Goods Component YoY index (Bloomberg: AUCPIYOY).

Indemnity

Equity Trustees, as the responsible entity of the Fund is indemnified out of the Fund against all liabilities incurred by it in performing or exercising any of its powers or duties in relation to the Fund (including any liabilities incurred by the Fund Manager in respect of the Fund). To the extent permitted by applicable law, this indemnity includes any liability incurred as a result of any act or omission of a delegate or agent appointed by the Responsible Entity (including the Fund Manager). Equity Trustees may retain and pay out any monies held by Equity Trustees all sums necessary to effect such an indemnity.

Consents

MCG Wealth has given and, at the date of this PDS, has not withdrawn, its written consent to be named in this PDS as the Fund Manager; and to the inclusion of the statements made about the Fund Manager and the Fund which are attributed to MCG Wealth, in the form and context in which they appear.

MCG Wealth has not otherwise been involved in the preparation of this PDS and has not caused or otherwise authorised the issue of this PDS. MCG Wealth and its employees and officers do not accept any responsibility arising in any way for errors or omissions from this PDS, other than in relation to the statements for which they have provided their consent.

BlackRock Financial Management, Inc. has given and, as of the date of this PDS, has not withdrawn, its written consent to be named in this PDS as the Portfolio Manager of the Spartan Fund; and to the inclusion of the statements made about it or the Spartan Fund which are attributed to it, in the form and context in which they appear. BlackRock Financial Management, Inc. has not otherwise been involved in the preparation of this PDS and has not caused or otherwise authorised the issue of this PDS. BlackRock Financial Management, Inc. and its affiliates, employees and officers do not accept any responsibility arising in any way for errors or omissions from this PDS, other than in relation to the statements for which it has provided its consent.

Privacy Statement

The Australian Privacy Principles contained in the Privacy Act 1988 (Cth) ("Privacy Act") regulate the way in which we collect, use, disclose, and otherwise handle your personal information. Equity Trustees is committed to respecting and protecting the privacy of your personal information, and our Privacy Policy details how we do this.

It is important to be aware that, in order to provide our products and services to you, Equity Trustees may need to collect personal information about you and any other individuals associated with the product or service offering. In addition to practical reasons, this is necessary to ensure compliance with our legal and regulatory obligations (including under the Corporations Act, the AML/CTF Act and taxation legislation). If you do not provide the information requested, we may not be able to process your application, administer, manage, invest, pay or transfer your investment(s).

You must therefore ensure that any personal information you provide to Equity Trustees is true and correct in every detail. If any of this personal information (including your contact details) changes, you must promptly advise us of the changes in writing. While we will generally collect your personal information from you, your broker or adviser or the Investment Manager and Administrator directly, we may also obtain or confirm information about you from publicly available sources in order to meet regulatory obligations.

In terms of how we deal with your personal information, Equity Trustees will use it for the purpose of providing you with our products and services and complying with our regulatory obligations. Equity Trustees may also disclose it to other members of our corporate group, or to third parties who we work with or engage for these same purposes. Such third parties may be situated in Australia or offshore, however we take reasonable steps to ensure that they will comply with the Privacy Act when collecting, using or handling your personal information.

The types of third parties that we may disclose your information to include, but are not limited to:

- stockbrokers, financial advisers or adviser dealer groups, their service providers and/or any joint holder of an investment;
- those providing services for administering or managing the Fund, including the Investment Manager, Custodian and Administrator, auditors, or those that provide mailing or printing services;
- our other service providers;
- regulatory bodies such as ASIC, ATO, APRA and AUSTRAC; and
- other third parties who you have consented to us disclosing your information to, or to whom we are required or permitted by law to disclose information to.

Equity Trustees or the Investment Manager may from time to time provide you with direct marketing and/or educational material about products and services they believe may be of interest to you. You have the right to “opt out” of such communications by contacting us using the contact details below.

In addition to the above information, Equity Trustees’ Privacy Policy contains further information about how we handle your personal information, and how you can access information held about you, seek a correction to that information, or make a privacy-related complaint.

Full details of Equity Trustees’ Privacy Policy are available at www.eqt.com.au. You can also request a copy by contacting Equity Trustees’ Privacy Officer on +61 3 8623 5000 or by email to privacy@eqt.com.au.

Anti-Money Laundering

Australia’s AML/CTF laws require Equity Trustees to adopt and maintain written AML/CTF Program. A fundamental part of the AML/CTF Program is that Equity Trustees must hold up-to-date information about investors in the Fund.

To meet this legal requirement, we need to collect certain identification information (including beneficial owner information) and documentation (“KYC Documents”) from new investors. Existing investors may also be asked to provide KYC Documents as part of an ongoing customer due diligence/verification process to comply with AML/CTF laws. If applicants or investors do not provide the applicable KYC Documents when requested, Equity Trustees may be unable to process an application, or may be unable to provide products or services to existing investors until such time as the information is provided.

In order to comply with AML/CTF Laws, Equity Trustees may also disclose information including your personal information that it holds about the applicant, an investor, or any beneficial owner, to its related bodies corporate or service providers, or relevant regulators of AML/CTF Laws (whether inside or outside Australia). Equity Trustees may be prohibited by law from informing applicants or investors that such reporting has occurred.

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

Information on underlying investments

Information regarding the underlying investments of the Fund will be provided to an investor on request, to the extent Equity Trustees is satisfied that such information is required to enable the investor to comply with its statutory reporting obligations. This information will be supplied within a reasonable timeframe having regard to these obligations.

FATCA

In April 2014, the Australian Government signed an intergovernmental agreement (“IGA”) with the United States of America (“U.S.”), which requires all Australian financial institutions to comply with the FATCA Act enacted by the U.S. in 2010.

Under FATCA, Australian financial institutions are required to collect and review their information to identify U.S. residents that invest in assets through non-U.S. entities. This information is reported to the Australian Taxation Office (“ATO”). The ATO may then pass that information onto the U.S. Internal Revenue Service.

In order to comply with the FATCA obligations, we may request certain information from you. Failure to comply with FATCA obligations may result in the Fund, to the extent relevant, being subject to a 30% withholding tax on payment of U.S. income or gross proceeds from the sale of certain U.S. investments. If the Fund suffers any amount of FATCA withholding and is unable to obtain a refund for the amounts withheld, we will not be required to compensate unit holders for any such withholding and the effect of the amounts withheld will be reflected in the returns of the Fund.

Common Reporting Standard (“CRS”)

The CRS is developed by the Organisation of Economic Co-operation and Development that requires certain financial institutions resident in a participating jurisdiction to document and identify reportable accounts and implement due diligence procedures. These financial institutions will also be required to report certain information on reportable accounts to their relevant local tax authorities.

Australia signed the CRS Multilateral Competent Authority Agreement and has enacted provisions within the domestic tax legislation to implement CRS in Australia. Australian financial institutions need to document and identify reportable accounts, implement due diligence procedures and report certain

information with respect to reportable accounts to the ATO. The ATO may then exchange this information with foreign tax authorities in the relevant signatory countries.

In order to comply with the CRS obligations, we may request certain information from you. Unlike FATCA, there is no withholding tax that is applicable under CRS.

12. Glossary of important terms

Alternative Assets

A term referring to any non-traditional asset with potential economic value that would not be found in a standard investment portfolio and is considered outside of the traditional asset classes of stocks/shares, fixed interest securities and cash.

Application Form

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

ASIC

Australian Securities and Investments Commission.

Asset Class

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

Beta

Represents the expected return for a 1 percent change in the comparison index. Beta is considered to be a measure of risk relative to the comparison index.

Business Day

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

Buy Spread

The difference between the application price of units in a Fund, which reflects the estimated transaction costs associated with buying the assets of the Fund, when investors invest in the Fund.

Constitution

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

Corporations Act

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

Cut Off Date

Last Business Day prior to the Valuation Date. As the Fund is valued monthly, the Cut Off Date will be the last Business Day of the month.

Derivative

A financial contract that derives its value from an underlying security, liability, asset or Index. Derivatives include forwards, futures, options (on futures or exchange traded funds), and swaps.

Direct Underlying Funds

The diversified portfolio of managed investment schemes (other than the Spartan Fund) into which the Fund invests.

Emerging Markets

Developing countries with relatively low per capita income, often with above-average economic growth potential. Many Latin American, Eastern European and Asian countries are considered Emerging Markets.

GST

Goods and services tax.

Hedge

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

ICR

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

IDPS

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

IDPS Guide

The terms and conditions of an IDPS issued by the IDPS Operator.

IDPS Operator

An entity that operates and offers an IDPS.

Indirect Investor

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

Investment Grade

A rating that indicates that a government or corporate bond has a relatively low risk of default. Generally, bonds rated 'AAA', 'AA', 'A' or 'BBB' are considered investment grade.

Indirect Underlying Funds

The diversified portfolio of hedge funds, other investment entities, and/or separate accounts in which the Spartan Fund invests. The Indirect Underlying Funds may be related to the Spartan Fund, or managed by the Portfolio Manager or entities related to the Portfolio Manager.

Indirect Underlying Managers

The investment managers of the Indirect Underlying Funds.

Leverage

The use of borrowings, various financial instruments and/or borrowed securities to increase the potential return of an investment. When Leverage is used by an Underlying Fund, the exposure of the fund to investments exceeds the Net Asset Value of the fund.

Net Asset Value ('NAV')

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

Notional Market Value

The face value on which the calculations of payments on a financial instrument are determined (also known as notional amount or notional principal amount).

Portfolio Manager

BlackRock Financial Management, Inc. as portfolio manager of the Spartan Fund.

Retail Client

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

RITC

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

Sell Spread

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

Spartan Fund

The Spartan Fund Limited, which is a Cayman Islands exempted company.

Tactical Allocation

Dynamic positioning of the portfolio between preferred Asset Classes and or investment strategies based on a forward looking risk and return outlook.

Underlying Funds

The Indirect Underlying Funds and the Direct Underlying Funds (including the Spartan Fund), which may be related to, or managed by, the Portfolio Manager.

Underlying Managers

The investment managers of the Underlying Funds. For up to date information on the Underlying Managers please see the MCG Wealth website www.mcgwealth.com.au or contact Teresa Lee-Antonas on +612 9327 7395.

US Person

Any of the following shall constitute a US Person:

A person so defined under tax law in the United States of America ("US"), under Regulation S under the US Securities Act of 1933, as amended, or by the US Commodity Futures Trading Commission, including, in broad terms, the following persons:

- (a) any citizen of, or natural person resident in, the US, its territories or possessions; or
- (b) any corporation or partnership organised or incorporated under any laws of or in the US or of any other jurisdiction if formed by a US Person (other than by accredited investors who are not natural persons, estates or trusts) principally for the purpose of investing in securities not registered under the US Securities Act of 1933; or
- (c) any agency or branch of a foreign entity located in the US; or
- (d) a pension plan primarily for US employees of a US Person; or

(e) a US collective investment vehicle unless not offered to US Persons; or

(f) any estate of which an executor or administrator is a US Person (unless an executor or administrator of the estate who is not a US Person has sole or substantial investment discretion over the assets of the estate and such estate is governed by non-US law) and all the estate income is non-US income not liable to US income tax; or

(g) any trust of which any trustee is a US Person (unless a trustee who is a professional fiduciary is a US Person and a trustee who is not a US Person has sole or substantial investment discretion over the assets of the trust and no beneficiary (or settlor, if the trust is revocable) of the trust is a US Person); or

(h) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US Person; or

(i) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated or (if an individual) resident in the US for the benefit or account of a US Person not formed principally for the purpose of facilitating investment by persons who do not qualify as Non-United States persons in a pool with respect to which the operator is exempt from certain requirements of Part 4 of the Commodity Futures Trading Commission's (the "CFTC") regulations by virtue of its participants being Non-United States persons; and (e) a pension plan for the employees, officers or principals of an entity organised and with its principal place of business outside the United States.

Valuation Date

The date the Fund is valued for calculating a unit price for applications and withdrawals. This will be at least monthly.

Volatility

The extent of fluctuation in share prices, exchange rates, interest rates, etc. The greater the Volatility, the less certain an investor is of return, and hence Volatility is a measure of risk.

Wholesale Client

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



MCG ENDOWMENT STRATEGY FUND APPLICATION FORM

This application form accompanies the Product Disclosure Statement (PDS)/Information Memorandum (IM) relating to units in the following product/s issued by Equity Trustees Limited (ABN 46 004 031 298, AFSL 240975). The PDS/IM contains information about investing in the Fund/Trust. You should read the PDS/IM in its entirety before applying.

- MCG Endowment Strategy Fund

The law prohibits any person passing this Application Form on to another person unless it is accompanied by a complete PDS/IM.

- If completing by hand, use a black or blue pen and print within the boxes in BLOCK LETTERS, if you make a mistake, cross it out and initial. DO NOT use correction fluid
- The investor(s) must complete and sign this form
- Keep a photocopy of your completed Application Form for your records

U.S. Persons: This offer is not open to any U.S. Person. Please refer to the PDS/IM for further information.

Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standard (CRS)

We are required to collect certain information to comply with FATCA and CRS, please ensure you complete section 7.

If investing with an authorised representative, agent or financial adviser

Please ensure you, your authorised representative, agent and/or financial adviser also complete Section 6.

Provide certified copies of your identification documents

Please refer to section 9 on AML/CTF Identity Verification Requirements.

Send your documents & make your payment

See section 2 for payment options and where to send your application form.

SECTION 1 – YOUR CONSUMER ATTRIBUTES

To assist the RE in meeting the Design and Distribution Obligations, you are required to indicate the purpose of your investment by responding to each of the questions set out below. Your responses should reflect your objectives and needs for this Investment. Please tick **only 1 box** for each question below.

The below only needs to be answered where you are a **direct retail investor** (i.e., does not apply to Indirect or intermediated investments such as those made by platforms, custodians, etc.). **If you are not a retail investor you may be required to provide a wholesale certificate to support your application.**

Further information in relation to these questions can be found in the Target Market Determination (TMD) for the Fund. If you wish to access the TMD, please visit <https://www.eqt.com.au/insto/>

1. Have you received advice prior to applying to invest in the Fund?

- ☐ I/We have received personal advice in relation to my investment in this Fund
- ☐ I/We have not received any advice in relation to my investment in this Fund

2. What is your primary investment objective(s)?

- ☐ Capital growth ☐ Capital preservation ☐ Income Distribution

3. What percentage of your total investable assets are you directing to this fund?

- ☐ Solution/Standalone (up to 100%) ☐ Major allocation (up to 75%)
- ☐ Core component (up to 50%) ☐ Minor allocation (up to 25%)
- ☐ Satellite allocation (up to 10%)

4. Please select your Intended investment timeframe

- ☐ Short term (up to and including 2 years) ☐ Medium term (More than 2 years but less than 5 years)
- ☐ Medium to long term (equal to 5 years but less than 7 years) ☐ Long term (7 years or more)

5. What is your tolerance for risk?

- ☐ Low risk and return- I/we can tolerate up to 1 period of underperformance over 20 years and a low target return from this investment. ☐ Medium risk and return - I/we can tolerate up to 4 periods of underperformance over 20 years and a moderate target return from this investment.
- ☐ High risk and return- I/we can tolerate up to 6 periods of underperformance over 20 years in order to achieve higher returns this investment. ☐ Very High risk and return - I/we can tolerate more than 6 periods of underperformance over 20 years (high volatility and potential losses) in order to achieve accelerated returns from this investment.
- ☐ Extremely high – I/We can tolerate significant volatility and losses as I/we are seeking to obtain accelerated returns

6. Under normal circumstances, within what period do you expect to be able to access your funds for this investment?

- ☐ Within one week ☐ Within one month
- ☐ Within three months ☐ Within one year
- ☐ Within five years ☐ Within ten years
- ☐ More than 10 years ☐ At the Issuer's discretion

Please note:

1. Failure to complete the above questions may result in your application not being accepted;
2. Acceptance of your application should not be taken as a representation or confirmation that an investment in the Fund is, or is likely to be, consistent with your intentions, objectives and needs as indicated in your responses to these questions; and
3. For further information on the suitability of this product, please refer to your financial adviser and/or the TMD

SECTION 1.2 – ARE YOU AN EXISTING INVESTOR IN THE FUND/TRUST AND WISH TO ADD TO YOUR INVESTMENT?

Do you have an existing investment in the Fund/Trust and the information provided remains current and correct?

- ☐ **Yes**, if you can tick both of the boxes below, complete Sections 2 and 8
- ☐ I/We confirm there are no changes to our identification documents previously provided and that these remain current and valid.
- ☐ I/We confirm there have been no changes to our FATCA or CRS status

Existing investor number:

If there have been changes in your identification documents or FATCA/CRS status since your last application, please complete the full Application Form as indicated below.

- ☐ **No**, please complete sections relevant to you as indicated below:

Investor Type:

- ☐ **Individuals/Joint:** complete section 2, 3, 6 (if applicable), 7, 8 & 9
- ☐ **Companies:** complete section 2, 4, 6 (if applicable), 7, 8 & 9
- ☐ **Custodians on behalf of underlying clients:** complete section 2, 4, 5, 5.1, 6 (if applicable), 7, 8 & 9
- ☐ **Trusts/superannuation funds:**
- with an individual trustee – complete sections 2, 3, 5, 6 (if applicable), 7, 8 & 9
 - with a company as a trustee – complete sections 2, 4, 5, 6 (if applicable), 7, 8 & 9

If you are an Association, Co-operative, Partnership, Government Body or other type of entity not listed above, please contact Equity Trustees.

SECTION 2 – INVESTMENT DETAILS

Investment to be held in the name(s) of (must include name(s) of investor(s))

Postal address

Suburb

State

Postcode

Country

Email address

Contact no.

FUND/TRUST NAME	APIR CODE	APPLICATION AMOUNT (AUD)
MCG Endowment Strategy Fund	SLT0010AU	\$

The minimum initial investment is \$250,000.

Distribution Instructions

If you do not select a distribution option, we will automatically reinvest your distribution. If you select cash, please ensure you provide your bank details below.

- ☐ **Reinvest distributions** if you select this option your distribution will be reinvested in the Fund/Trust
- ☐ **Pay distributions to the bank** if you select this option your distribution will be paid to the bank account below

Investor bank details

For withdrawals and distributions (if applicable), these must match the investor(s)' name and must be an AUD-denominated bank account with an Australian domiciled bank.

Financial institution name and branch location

BSB number

Account number

Account name

Payment method

- ☐ Cheque – payable to "EQT as RE for MCG Endowment Strategy Fund App Account".
- ☐ Direct credit – pay to:

Financial institution name and branch location	National Australia Bank Limited 105 Miller Street, North Sydney NSW 2060
BSB number	082 401
Account number	72 349 8826
Account name	EQT as RE for MCG Endowment Strategy Fund App Account
Reference	<Investor Name>

Source of investment

Please indicate the source of the investment amount (e.g. retirement savings, employment income):

Send your completed Application Form to:

Apex Fund Services Pty Ltd
GPO Box 4968 Sydney NSW 2001
Additional applications may be faxed to: +61 2 9251 3525

Please ensure you have completed all relevant sections and signed the Application Form

SECTION 3 – INVESTOR DETAILS – INDIVIDUALS/JOINT

Please complete if you are investing individually, jointly or you are an individual or joint trustee.

See Group A AML/CTF Identity Verification Requirements in Section 9

Investor 1

Title	First name(s)	Surname
<input type="text"/>	<input type="text"/>	<input type="text"/>

Residential address (not a PO Box/RMB/Locked Bag)

Suburb	State	Postcode	Country
<input type="text"/>	<input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/>

Email address

(Statements will be sent to this address, unless you elect otherwise in Section 6)

Contact no.

Date of birth (DD/MM/YYYY)

 / /

Tax File Number* – or exemption code

Country of birth

Occupation

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

☐ No

☐ Yes, please give details:

Investor 2

Title	First name(s)	Surname
<input type="text"/>	<input type="text"/>	<input type="text"/>

Residential address (not a PO Box/RMB/Locked Bag)

Suburb	State	Postcode	Country
<input type="text"/>	<input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/>

Email address

(Statements will be sent to this address, unless you elect otherwise in Section 6)

Contact no.

Date of birth (DD/MM/YYYY)

 / /

Tax File Number* – or exemption code

Country of birth

Occupation

If there are more than 2 registered owners, please provide details as an attachment.

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

☐ No

☐ Yes, please give details:

SECTION 4 – INVESTOR DETAILS – COMPANIES/CORPORATE TRUSTEE

Please complete if you are investing for a company or where the company is acting as trustee.

See Group B AML/CTF Identity Verification Requirements in Section 9

Full company name (as registered with ASIC or relevant foreign registered body)

Registered office address (not a PO Box/RMB/Locked Bag)

Suburb

State

Postcode

Country

Australian Company Number

Tax File Number* – or exemption code

Australian Business Number* (if registered in Australia) or equivalent foreign company identifier

Contact Person

Title

First name(s)

Surname

Email address

(Statements will be sent to this address, unless you elect otherwise in Section 6)

Contact no.

Principal place of business: If the principal place of business is the same as the registered office street address, state 'As above' below. Otherwise provide address details. For foreign companies registered with ASIC please provide a local agent name and address if you do not have a principal place of business in Australia.

Principal Place of Business Address (not a PO Box/RMB/Locked Bag)

Suburb

State

Postcode

Country

Registration details

Name of regulatory body

Identification number (e.g. ARBN)

Controlling Persons, Directors and Beneficial Owners

All beneficial owners who own, hold or control either directly or indirectly 25% or more of the issued capital of a proprietary or private company that is not regulated i.e. does not have an AFSL or ACLN etc., will need to provide Group A AML/CTF Identity Verification Requirements specified in Section 9. In the case of an unregulated public company not listed on a securities exchange, provide the details of the senior managing official(s) as controlling person(s) (e.g. managing director, senior executive(s) etc. who is/are authorised to sign on the company's behalf, and make policy, operational and financial decisions) in the following sections. All proprietary and private companies, whether regulated or unregulated, must provide the names of all of the directors.

Names of the Directors of a Proprietary or Private Company whether regulated or unregulated

1	2
3	4

If there are more than 4 directors, please write the other names below.

Names of the Beneficial Owners or Senior Managing Official(s)**Select:**

- ☐ Beneficial owner 1 of an unregulated proprietary or private company; OR
- ☐ Senior Managing Official of an unregulated, unlisted, public (e.g. Limited) company

Title	First name(s)	Surname
<input type="text"/>	<input type="text"/>	<input type="text"/>

Residential address (not a PO Box/RMB/Locked Bag)

Suburb	State	Postcode	Country
<input type="text"/>	<input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/>

Date of birth (DD/MM/YYYY)

 / /

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

- ☐ No ☐ Yes, please give details:

Select:

- ☐ Beneficial owner 2 of an unregulated proprietary or private company; OR
- ☐ Senior Managing Official of an unregulated, unlisted, public (e.g. Limited) company

Title	First name(s)	Surname
<input type="text"/>	<input type="text"/>	<input type="text"/>

Residential address (not a PO Box/RMB/Locked Bag)

Suburb	State	Postcode	Country
<input type="text"/>	<input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/>

Date of birth (DD/MM/YYYY)

 / /

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

- ☐ No ☐ Yes, please give details:

If there are more than 2 beneficial owners or managing officials, please copy and complete this page for the other persons or alternatively, provide the additional details as an attachment.

SECTION 5 – INVESTOR DETAILS – TRUSTS/SUPERANNUATION FUNDS

Please complete if you are investing for a trust or superannuation fund.

See Group C AML/CTF Identity Verification Requirements in section 9

Full name of trust or superannuation fund

Full name of business (if any)

Country where established

Australian Business Number* (if obtained)

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Tax File Number* – or exemption code

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Trustee details – How many trustees are there?

- ☐ **Individual trustee(s)** – complete Section 3 – Investor details – Individuals/Joint
- ☐ **Company trustee(s)** – complete Section 4 – Investor details – Companies/Corporate Trustee
- ☐ **Combination** – trustee(s) to complete each relevant section

Type of Trust

- ☐ **Registered Managed Investment Scheme**

Australian Registered Scheme Number (ARSN)

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

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

Registration/Licence details or ABN

- ☐ **Other Trust** (unregulated)

Please describe

Beneficiaries of an unregulated trust

Please provide details below of any beneficiaries who directly or indirectly are entitled to an interest of 25% or more of the trust.

1	2
3	4

If there are no beneficiaries of the trust, describe the class of beneficiary (e.g. the name of the family group, class of unit holders, the charitable purpose or charity name):

Other Trust (unregulated) Continued**Settlor details**

Please provide the full name and last known address of the settlor of the trust where the initial asset contribution to the trust was greater than \$10,000.

- ☐ This information is not required if the initial asset contribution was less than \$10,000, and/or
- ☐ This information is not required if the settlor is deceased

Settlor's full name and last known address

Beneficial owners of an unregulated trust

Please provide details below of any beneficial owner of the trust. A beneficial owner is any individual who directly or indirectly has a 25% or greater interest in the trust or is a person who exerts control over the trust. This includes the appointer of the trust who holds the power to appoint or remove the trustees of the trust.

All beneficial owners will need to provide Group A AML/CTF Identity Verification Requirements in Section 9

Beneficial owner 1 or Controlling Person 1

Select:

- ☐ Beneficial owner 1; OR
- ☐ Controlling Person – What is the role e.g. Appointer:

--

Title

First name(s)

Surname

--

--

--

Residential address (not a PO Box/RMB/Locked Bag)

--

Suburb

State

Postcode

Country

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Date of birth (DD/MM/YYYY)

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

- ☐ No ☐ Yes, please give details:

--

Beneficial owner 2 or Controlling Person 2

Select:

- ☐ Beneficial owner 2; OR
- ☐ Controlling Person – What is the role e.g. Appointer:

--

Title

First name(s)

Surname

--

--

--

Residential address (not a PO Box/RMB/Locked Bag)

--

Suburb

State

Postcode

Country

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--

Date of birth (DD/MM/YYYY)

	/		/	
--	---	--	---	--

If there are more than 2 beneficial owners, please provide details as an attachment.

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

☐ No ☐ Yes, please give details:

If there are more than 2 beneficial owners or controlling persons, please copy and complete this page for the other persons or alternatively, provide the additional details as an attachment.

SECTION 5.1 – CUSTODIAN ATTESTATION: CHAPTER 4, PARTS 4.4.18 AND 4.4.19 OF THE AML/CTF RULES

If you are a Company completing this Application Form on behalf of an individual, another company, a trust or other entity, in a Custodial capacity, please complete this section.

In accordance with Chapter 4, part 4.4.19 (1)(a) to (d) of the AML/CTF Rules, does the Custodian meet the definition (see 'Section 10 – Glossary') of a Custodian?

☐ No ☐ Yes

In accordance with Chapter 4, part 4.4.19 (e) of the AML/CTF Rules, do you, in your capacity as Custodian attest that prior to requesting this designated service from Equity Trustees, it has carried out and will continue to carry out, all applicable customer identification procedures on the underlying account holder named or to be named in the Fund's register, including conducting ongoing customer due diligence requirements in accordance with Chapter 15 of the AML/CTF Rules?

☐ No ☐ Yes

If you answered YES to all of the above questions, then Equity Trustees is able to apply the Chapter 4, part 4.4 Custodian rules to this account and will rely upon the customer due diligence conducted by the Custodian on the underlying account holder named or to be named in the Fund's register.

If requested to do so at any time after the provision of this designated service, the Custodian agrees to honour any reasonable request made by Equity Trustees for information or evidence about the underlying account holder in order to allow Equity Trustees to meet its obligations under the AML/CTF Act.

☐ No ☐ Yes

Excepting the below circumstances where the custodian answered NO or did not complete any of the above questions, no other information about the underlying account holder is required to be collected. However, further information about you as the Custodian and as a company is required to be collected and verified as required by the AML/CTF rules. Please complete the rest of this form for the Custodian.

Excepting circumstances:

If you answered NO or did not complete any of the above questions, then we are unable to apply the Chapter 4, part 4.4 Custodian rules to this application. We are therefore obligated to conduct full Know Your Client procedures on the underlying account holder named or to be named in the Fund's register including any named nominee, as well as the trustees, beneficial owners and controlling persons of the underlying named account in addition to the Custodian. Therefore, please complete the relevant forms and provide identity documents for all parties connected to this account.

SECTION 6 – AUTHORISED REPRESENTATIVE, AGENT AND/OR FINANCIAL ADVISER

Please complete if you are appointing an authorised representative, agent and/or financial adviser.

See Group D AML/CTF Identity Verification Requirements in Section 9

- ☐ I am an **authorised representative or agent** as nominated by the investor(s)

You must attach a valid authority such as Power of Attorney, guardianship order, grant of probate, appointment of bankruptcy etc. that is a certified copy. The document must be current and complete, signed by the investor or a court official and permits the authorised representative or agent to transact on behalf of the investor.

Full name of authorised representative or agent

Role held with investor(s)

Signature

Date

- ☐ I am a **financial adviser** as nominated by the investor

Name of adviser

AFSL number

Dealer group

Name of advisory firm

Postage address

Suburb

State

Postcode

Country

Email address

Contact no.

Financial Advice (only complete if applicable)

- ☐ The investor has received personal financial product advice in relation to this investment from a licensed financial adviser and that advice is current.

Financial Adviser Declaration

- ☐ I/We hereby declare that I/we are not a US Person as defined in the PDS/IM.
- ☐ I/We hereby declare that the investor is not a US Person as defined in the PDS/IM.
- ☐ I/We have completed an appropriate Customer Identification Procedure (CIP) on this investor which meets the requirements (per type of investor) set out above,
- ☐ I/We have attached the relevant CIP documents;

Signature

Date

Access to information

Unless you elect otherwise, your authorised representative, agent and/or financial adviser will also be provided access to your investment information and/or receive copies of statements and transaction confirmations. By appointing an authorised representative, agent and/or financial adviser you acknowledge that you have read and agreed to the terms and conditions in the PDS/IM relating to such appointment.

- ☐ Please tick this box if you DO NOT want your authorised representative, agent and/or financial adviser to have access to information about your investment.
- ☐ Please tick this box if you DO NOT want copies of statements and transaction confirmations sent to your authorised representative, agent and/or financial adviser.
- ☐ Please tick this box if you want statements and transaction confirmations sent ONLY to your authorised representative, agent and/or financial adviser.

SECTION 7 – FOREIGN ACCOUNT TAX COMPLIANCE ACT (FATCA), COMMON REPORTING STANDARD (CRS) SELF-CERTIFICATION FORM – ALL INVESTORS MUST COMPLETE

Sub-Section I – Individuals

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

1. Are you a US tax resident (e.g. US citizen or US resident)?

- ☐ Yes: provide your US Taxpayer Identification Number (TIN) and continue to question 2

Investor 1

Investor 2

- ☐ No: continue to question 2

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

- ☐ Yes: state each country and provide your TIN or equivalent (or Reason Code if no TIN is provided) for each jurisdiction below and skip to question 12

Investor 1

Country/Jurisdiction of tax residence	TIN	If no TIN available enter Reason A, B or C
1		
2		

Investor 2

Country/Jurisdiction of tax residence	TIN	If no TIN available enter Reason A, B or C
1		
2		

If more space is needed please provide details as an attachment.

- ☐ No: skip to question 12

Reason Code:

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

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

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

	Reason B explanation
Investor 1	
Investor 2	

Sub-Section II – Entities

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

3. Are you an Australian complying superannuation fund?

- ☐ Yes: skip to question 12
- ☐ No: continue to question 4

FATCA

4. Are you a US Person?

- ☐ Yes: continue to question 5
- ☐ No: skip to question 6

5. Are you a Specified US Person?

- ☐ Yes: provide your TIN below and skip to question 7

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

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

- ☐ Yes: provide your Global Intermediary Identification Number (GIIN)

If you do not have a GIIN, please provide your FATCA status below and then continue to question 7. If you are a sponsored entity, please provide your GIIN above and your sponsor's details below and then continue to question 7.

- ☐ Exempt Beneficial Owner, provide type below:

- ☐ Deemed-Compliant FFI (other than a Sponsored Investment Entity or a Trustee Documented Trust), provide type below:

- ☐ Non-Participating FFI, provide type below:

- ☐ Sponsored Entity. Please provide the Sponsoring Entity's name and GIIN:

- ☐ Trustee Documented Trust. Please provide your Trustee's name and GIIN:

- ☐ Other, provide details:

- ☐ No: continue to question 7

CRS**7. Are you a tax resident of any country outside of Australia and the US?**

- ☐ Yes: state each country and provide your TIN or equivalent (or Reason Code if no TIN is provided) for each jurisdiction below and continue to question 8

Investor 1

Country/Jurisdiction of tax residence	TIN	If no TIN available enter Reason A, B or C
1		
2		

Investor 2

Country/Jurisdiction of tax residence	TIN	If no TIN available enter Reason A, B or C
1		
2		

If more space is needed please provide details as an attachment.

Reason Code:

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

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

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

	Reason B explanation
Investor 1	
Investor 2	

- ☐ No: continue to question 8

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

- ☐ Yes: specify the type of Financial Institution below and continue to question 9

☐ Reporting Financial Institution

☐ Non-Reporting Financial Institution:

☐ Trustee Documented Trust

☐ Other: please specify:

- ☐ No: skip to question 10

9. Are you an investment entity resident in a non-participating jurisdiction for CRS purposes and managed by another financial institution?

- ☐ Yes: skip to question 11

- ☐ No: skip to question 12

Non-Financial Entities

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

- ☐ Yes: specify the type of Active NFE below and skip to question 12:
- ☐ Less than 50% of the entity's gross income from the preceding calendar year is passive income (e.g. dividends, distribution, interests, royalties and rental income) and less than 50% of its assets during the preceding calendar year are assets held for the production of passive income
- ☐ Corporation that is regularly traded or a related entity of a regularly traded corporation
- Provide name of Listed Entity:
- and exchange on which traded:
- ☐ Governmental Entity, International Organisation or Central Bank
- ☐ Other: please specify:
- ☐ No: you are a Passive Non-Financial Entity (Passive NFE). Continue to question 11

Controlling Persons

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

- Is any natural person that exercises control over you (for corporations, this would include directors or beneficial owners who ultimately own 25% or more of the share capital) a tax resident of any country outside of Australia?
- If you are a trust, is any natural person including trustee, protector, beneficiary, settlor or any other natural person exercising ultimate effective control over the trust a tax resident of any country outside of Australia?
- Where no natural person is identified as exercising control of the entity, the controlling person will be the natural person(s) who holds the position of senior managing official.

- ☐ Yes. provide controlling person information below:

Controlling person 1

Title	First name(s)	Surname
<input type="text"/>	<input type="text"/>	<input type="text"/>
Residential address (not a PO Box/RMB/Locked Bag)		
<input type="text"/>		
Suburb	State	Postcode
<input type="text"/>	<input type="text"/>	<input type="text"/>
Date of birth (DD/MM/YYYY)		Country
<input type="text"/> / <input type="text"/> / <input type="text"/>		<input type="text"/>

Country/Jurisdiction of tax residence	TIN	If no TIN available enter Reason A, B or C
1		
2		

Controlling person 2

Title	First name(s)	Surname
<input type="text"/>	<input type="text"/>	<input type="text"/>

Residential address (not a PO Box/RMB/Locked Bag)

Suburb	State	Postcode	Country
<input type="text"/>	<input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/>

Date of birth (DD/MM/YYYY) / /

Country/Jurisdiction of tax residence	TIN	If no TIN available enter Reason A, B or C
1		
2		

*If there are more than 2 controlling persons, please provide details as an attachment.***Reason Code:**

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

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

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

	Reason B explanation
Investor 1	
Investor 2	

☐ No: continue to question 12**12. Signature and Declaration – ALL investors must sign**☐ I undertake to provide a suitably updated self-certification within 30 days of any change in circumstances which causes the information contained herein to become incorrect.☐ I declare the information above to be true and correct.**Investor 1**

Name of individual/entity

Name of authorised representative

Signature

Date

Investor 2

Name of individual/entity

Name of authorised representative

Signature

Date

SECTION 8 – DECLARATIONS – ALL INVESTORS MUST COMPLETE

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

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

- I/We have received the PDS/IM and made this application in Australia (and/or New Zealand for those offers made in New Zealand).
- I/We have read the PDS/IM to which this Application Form applies and agree to be bound by the terms and conditions of the PDS/IM and the Constitution of the relevant Fund/Trust in which I/we have chosen to invest.
- I/we have carefully considered the features of Fund/Trust as described in the PDS (including its investment objectives, minimum suggested investment timeframe, risk level, withdrawal arrangements and investor suitability) and, after obtaining any financial and/or tax advice that I/we deemed appropriate, am/are satisfied that my/our proposed investment in the Fund/Trust is consistent with my/our investment objectives, financial circumstances and needs.*
- I/We have considered our personal circumstances and, where appropriate, obtained investment and/or taxation advice.
- I/We hereby declare that I/we are not a US Person as defined in the PDS/IM.
- I/We acknowledge that (if a natural person) I am/we are 18 years of age or over and I am/we are eligible to hold units in the Fund/Trust in which I/We have chosen to invest.
- I/We acknowledge and agree that Equity Trustees has outlined in the PDS/IM provided to me/us how and where I/we can obtain a copy of the Equity Trustees Group Privacy Statement.
- I/We consent to the transfer of any of my/our personal information to external third parties including but not limited to fund administrators, fund investment manager(s) and related bodies corporate who are located outside Australia for the purpose of administering the products and services for which I/we have engaged the services of Equity Trustees or its related bodies corporate and to foreign government agencies for reporting purposes (if necessary).
- I/we hereby confirm that the personal information that I/we have provided to Equity Trustees is correct and current in every detail, and should these details change, I/we shall promptly advise Equity Trustees in writing of the change(s).
- I/We agree to provide further information or personal details to the Responsible Entity if required to meet its obligations under anti-money laundering and counter-terrorism legislation, US tax legislation or reporting legislation and acknowledge that processing of my/our application may be delayed and will be processed at the unit price applicable for the Business Day as at which all required information has been received and verified.
- If I/we have provided an email address, I/we consent to receive ongoing investor information including PDS/IM information, confirmations of transactions and additional information as applicable via email.
- I/We acknowledge that Equity Trustees does not guarantee the repayment of capital or the performance of the Fund/Trust or any particular rate of return from the Fund/Trust.
- I/We acknowledge that an investment in the Fund/Trust is not a deposit with or liability of Equity Trustees and is subject to investment risk including possible delays in repayment and loss of income or capital invested.
- I/We acknowledge that Equity Trustees is not responsible for the delays in receipt of monies caused by the postal service or the investor's bank.
- If I/we lodge a fax application request, I/we acknowledge and agree to release, discharge and agree to indemnify Equity Trustees from and against any and all losses, liabilities, actions, proceedings, account claims and demands arising from any fax application.
- If I/we have completed and lodged the relevant sections on authorised representatives, agents and/or financial advisers on the Application Form then I/we agree to release, discharge and indemnify Equity Trustees from and against any and all losses, liabilities, actions, proceedings, account claims and demands arising from Equity Trustees acting on the instructions of my/our authorised representatives, agents and/or financial advisers.
- If this is a joint application each of us agrees that our investment is held as joint tenants.
- I/We acknowledge and agree that where the Responsible Entity, in its sole discretion, determines that:
 - I/we are ineligible to hold units in a Fund/Trust or have provided misleading information in my/our Application Form; or
 - I/we owe any amounts to Equity Trustees, then I/we appoint the Responsible Entity as my/our agent to submit a withdrawal request on my/our behalf in respect of all or part of my/our units, as the case requires, in the Fund/Trust.
- **For Wholesale Clients*** – I/We acknowledge that I am/we are a Wholesale Client (as defined in Section 761G of the Corporations Act 2001 (Cth)) and are therefore eligible to hold units in the Fund/Trust.
- **For New Zealand applicants*** – I/we have read the terms of the offer relating to New Zealand investors, including the New Zealand warning statement.
- **For New Zealand Wholesale Investors*** – I/We acknowledge and agree that:
 - I/We have read the “New Zealand Wholesale Investor Fact Sheet” and PDS/IM or “New Zealand Investors: Selling Restriction” for the Fund/Trust;
 - I am/We are a Wholesale Investor and am/are therefore eligible to hold units in the Fund/Trust; and
 - I/We have not:

- Offered, sold, or transferred, and will not offer, sell, or transfer, directly or indirectly, any units in the Fund/Trust;
 - Granted, issued, or transferred, and will not grant, issue, or transfer, any interests in or options over, directly or indirectly, any units in the Fund/Trust; and
 - Distributed and will not distribute, directly or indirectly, the PDS/IM or any other offering materials or advertisement in relation to any offer of units in the Fund/Trust, in each case in New Zealand, other than to a person who is a Wholesale Investor; and
- I/We will notify Equity Trustees if I/we cease to be a Wholesale Investor; and
 - I/We have separately provided a signed Wholesale Investor Certification located at the end of this Application Form.

All references to Wholesale Investor in this Declaration are a reference to Wholesale Investor in terms of clause 3(2) of Schedule 1 of the Financial Markets Conduct Act 2013 (New Zealand).

* Disregard if not applicable.

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

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

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

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

Investor 1

Name of individual/entity

Capacity (e.g. Director, Secretary, Authorised signatory)

Signature

Date

Company Seal (if applicable)

Investor 2

Name of individual/entity

Capacity (e.g. Director, Secretary, Authorised signatory)

Signature

Date

SECTION 9 – AML/CTF IDENTITY VERIFICATION REQUIREMENTS

The AML/CTF Act requires the Responsible Entity to adopt and maintain an Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) Program. The AML/CTF Program includes ongoing customer due diligence, which may require the Responsible Entity to collect further information.

- Identification documentation provided must be in the name of the investor.
- Non-English language documents must be translated by an accredited translator. Provide both the foreign language document and the accredited English translation.
- Applications made without providing this information cannot be processed until all the necessary information has been provided.
- If you are unable to provide the identification documents described please contact Equity Trustees.

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

Who can certify?

Below is an example of who can certify proof of ID documents under the AML/CTF requirements:

- Bailiff
- Bank officer with 5 or more years of continuous service
- Building society officer with 5 or more years of continuous service
- Chiropractor (licensed or registered)
- Clerk of court
- Commissioner for Affidavits
- Commissioner for Declarations
- Credit union officer with 5 or more years of continuous service
- Dentist (licensed or registered)
- Fellow of the National Tax Accountant's Association
- Finance company officer with 5 or more years of continuous service
- Judge of a court
- Justice of the peace
- Legal practitioner (licensed or registered)
- Magistrate
- Marriage celebrant licensed or registered under Subdivision C of Division 1 of Part IV of the Marriage Act 1961
- Master of a court
- Medical practitioner (licensed or registered)
- Member of Chartered Secretaries Australia
- Member of Engineers Australia, other than at the grade of student
- Member of the Association of Taxation and Management Accountants
- Member of the Australian Defence Force with 5 or more years of continuous service
- Member of the Institute of Chartered Accountants in Australia, the Australian Society of Certified Practising Accountants or the Institute of Public Accountants
- Member of the Parliament of the Commonwealth, a State, a Territory Legislature, or a local government authority of a State or Territory
- Minister of religion licensed or registered under Subdivision A of Division 1 of Part IV of the Marriage Act 1961
- Nurse (licensed or registered)
- Optometrist (licensed or registered)
- Permanent employee of Commonwealth, State or local government authority with at least 5 or more years of continuous service.
- Permanent employee of the Australian Postal Corporation with 5 or more years of continuous service
- Pharmacist (licensed or registered)
- Physiotherapist (licensed or registered)
- Police officer
- Psychologist (licensed or registered)
- Registrar, or Deputy Registrar, of a court
- Sheriff
- Teacher employed on a full-time basis at a school or tertiary education institution
- Veterinary surgeon (licensed or registered)

When certifying documents, the following process must be followed:

- All copied pages of original proof of ID documents must be certified and the certification must not be older than 2 years.
- The authorised individual must ensure that the original and the copy are identical; then write or stamp on the copied document "certified true copy". This must be followed by the date and signature, printed name and qualification of the authorised individual.
- In cases where an extract of a document is photocopied to verify customer ID, the authorised individual should write or stamp "certified true extract".

GROUP A – Individuals/Joint

Each individual investor, individual trustee, beneficial owner, or individual agent or authorised representative must provide one of the following primary photographic ID:

- ☐ A current Australian driver's licence (or foreign equivalent) that includes a photo and signature.
- ☐ An Australian passport (not expired more than 2 years previously).
- ☐ A foreign passport or international travel document (must not be expired)
- ☐ An identity card issued by a State or Territory Government that includes a photo.

If you do NOT own one of the above ID documents, please provide one valid option from Column A and one valid option from Column B.

Column A	Column B
<input type="checkbox"/> Australian birth certificate.	<input type="checkbox"/> A document issued by the Commonwealth or a State or Territory within the preceding 12 months that records the provision of financial benefits to the individual and which contains the individual's name and residential address.
<input type="checkbox"/> Australian citizenship certificate.	<input type="checkbox"/> A document issued by the Australian Taxation Office within the preceding 12 months that records a debt payable by the individual to the Commonwealth (or by the Commonwealth to the individual), which contains the individual's name and residential address. Block out the TFN before scanning, copying or storing this document.
<input type="checkbox"/> Pension card issued by Department of Human Services.	<input type="checkbox"/> A document issued by a local government body or utilities provider within the preceding 3 months which records the provision of services to that address or to that person (the document must contain the individual's name and residential address).
	<input type="checkbox"/> If under the age of 18, a notice that: was issued to the individual by a school principal within the preceding 3 months; and contains the name and residential address; and records the period of time that the individual attended that school.

GROUP B – Companies

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

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

All of the above must clearly show the company's full name, its type (i.e. public or private) and the ACN issued by ASIC.

For Foreign Companies, provide one of the following:

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

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

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

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

GROUP C – Trusts

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

- ☐ A copy of the company search of the relevant regulator's website e.g. APRA, ASIC or ATO.
- ☐ A copy or relevant extract of the legislation establishing the government superannuation fund sourced from a government website.
- ☐ A copy from the ACNC of information registered about the trust as a charity
- ☐ Annual report or audited financial statements.
- ☐ A certified copy of a notice issued by the ATO within the previous 12 months.
- ☐ A certified copy of an extract of the Trust Deed (i.e. cover page and signing page and first two pages that describes the trust, its purpose, appointer details and settlor details etc.)

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

- ☐ A certified copy of an extract of the Trust Deed (i.e. cover page and signing page and first two pages that describes the trust, its purpose, appointer details and settlor details etc.)

If the trustee is an individual, please also provide verification documents for one trustee as listed under Group A.

If the trustee is a company, please also provide verification documents for a company as listed under Group B.

GROUP D – Authorised Representatives and Agents

In addition to the above entity groups:

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

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

SECTION 10 – GLOSSARY

Custodian – means a company that:

- a) is acting in the capacity of a trustee; and
- b) is providing a custodial or depository service of the kind described in item 46 of table 1 in subsection 6(2) of the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML/CTF Act); and
- c) either:
 - i. holds an Australian financial services licence authorising it to provide custodial or depository services under the Corporations Act 2001; or
 - ii. is exempt under the Corporations Act 2001 from the requirement to hold such a licence; and
- d) either:
 - i. satisfies one of the 'geographical link' tests in subsection 6(6) of the AML/CTF Act; or
 - ii. has certified in writing to the relevant reporting entity that its name and enrolment details are entered on the Reporting Entities Roll; and
- e) has certified in writing to the relevant reporting entity that it has carried out all applicable customer identification procedures and ongoing customer due diligence requirements in accordance with Chapter 15 of the AML/CTF Rules in relation to its underlying customers prior to, or at the time of, becoming a customer of the reporting entity.