

Blackwattle Global Quality Fund

Product Disclosure Statement

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About this PDS

This Product Disclosure Statement (“PDS”) has been prepared and issued by Equity Trustees Limited (“Equity Trustees”, “we” or “Responsible Entity”) and is a summary of the significant information relating to an investment in the Blackwattle Global Quality Fund (the “Fund”). It contains a number of references to important information (including a glossary of terms), contained in the Blackwattle Global Quality Fund Reference Guide (“Reference Guide”), each of which forms part of this PDS. You should carefully read and consider both the information in this PDS, and the information in the Reference Guide, before making a decision about investing in the Fund.

The information provided in this PDS is general information only and does not take account of your personal objectives, financial situation or needs. You should obtain financial and taxation advice tailored to your personal circumstances and consider whether investing in the Fund is appropriate for you in light of those circumstances.

The offer to which this PDS relates is only available to persons receiving this PDS (electronically or otherwise) in Australia.

This PDS does not constitute a direct or indirect offer of securities in the US or to any US Person as defined in Regulation S under the Securities Act of 1933 as amended (“US Securities Act”). Equity Trustees may vary this 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 approved by Equity Trustees and may not be offered or sold in the US to, or for, the account of any US Person (as defined in the Reference Guide) except in a transaction that is exempt from the registration requirements of the US Securities Act and applicable US state securities laws.

The Reference Guide

Throughout the PDS, there are references to additional information contained in the Reference Guide. You can obtain a copy of the PDS and the Reference Guide, free of charge, by calling Blackwattle Investment (as defined below) on +612 7208 9922, visiting www.blackwattlepartners.com, emailing info@blackwattlepartners.com or by calling the Responsible Entity.

The information contained in the Reference Guide may change between the day you receive this PDS and the day you acquire the product. You must therefore ensure that you have read the Reference Guide current as at the date of your application.

Updated information

Information in this PDS is subject to change. We will notify you of any changes that have a material adverse impact on you or other significant events that affect the information contained in this PDS. Any information that is not materially adverse information is subject to change from time to time and may be obtained by calling Blackwattle Investment on +612 7208 9922, visiting www.blackwattlepartners.com, emailing info@blackwattlepartners.com. A paper copy of the updated information will be provided free of charge on request.

1. About Equity Trustees Limited

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, today Equity Trustees is a dynamic financial services institution which continues to grow the breadth and quality of products and services on offer.

Equity Trustees' responsibilities and obligations as the Fund's responsible entity are governed by the Fund's constitution ("Constitution"), the Corporations Act and general trust law. Equity Trustees has appointed Blackwattle Investment Partners Pty Limited (ABN 24 663 839 094) as the investment manager of the Fund.

The Investment Manager

Blackwattle Investment Partners Pty Limited

Blackwattle Investment Partners Pty Limited ABN 24 663 839 094 ("Blackwattle Investment" or "Investment Manager") is the investment manager of the Fund and is a corporate authorised representative (CAR No. 001304362) of Blackwattle Licensing Pty Limited (ABN 32 665 711 839 AFSL 547617). Blackwattle Investment is a wholly owned subsidiary of Blackwattle Partners Pty Ltd (ACN 661 601 789) ("Blackwattle Partners"). Blackwattle Partners is a new generation, highly aligned, Australian investment manager investing in quality businesses and people.

Blackwattle Investment is a fundamental investment manager with a 'quality' investment focus. Funds are managed by experienced fund managers supported by the Blackwattle Partners risk framework, systems and processes.

The Custodian and Administrator

Apex Fund Services Pty Ltd

Equity Trustees has appointed Apex Fund Services Pty Ltd ("Apex" or "Administrator") as 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 Responsible Entity has appointed Apex to act as administrator and registry provider for the Fund. In such capacity, Apex performs all general administrative tasks for the Fund, including registry services, keeping financial books and records and calculating the Net Asset Value of the Fund.

2. How the Blackwattle Global Quality Fund works

The Fund is a registered managed investment scheme governed by the Constitution. The Fund comprises assets which are acquired in accordance with the Fund's investment strategy. Direct investors receive units in the Fund when they invest. In general, each unit represents an equal interest in the assets of the Fund subject to liabilities; however, it does not give investors an interest in any particular asset of the Fund.

If you invest in the Fund through an IDPS (as defined in the Reference Guide) you will not become an investor in the Fund. The operator or custodian of the IDPS will be the investor entered in the Fund's register and will be the only person who is able to exercise the rights and receive the benefits of a direct investor. Your investment in the Fund through the IDPS will be governed by the terms of your IDPS. Please direct any queries and requests relating to your investment to your IDPS Operator. Unless otherwise stated, the information in the PDS applies to direct investors.

Applying for units

You can acquire units by completing the Application Form that accompanies this PDS. The minimum initial investment amount for the Fund is \$25,000 (unless otherwise determined by the Responsible Entity).

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

Blackwattle Investment Partners Registry
Apex Fund Services Pty Ltd
GPO Box 4968
Sydney NSW 2001
registry@apexgroup.com

Please note that cash and cheques cannot be accepted.

We reserve the right to accept or reject applications in whole or in part at our discretion. We have the discretion to delay processing applications where we believe this to be in the best interest of the Fund's investors.

The price at which units are acquired is determined in accordance with the Constitution ("Application Price"). The Application Price on a Business Day is, in general terms, equal to the Net Asset Value ("NAV") of the Fund, divided by the number of units on issue and adjusted for transaction costs ("Buy Spread"). At the date of this PDS, the Buy Spread is 0.25%.

No interest is earned on application monies.

Fractions of units may be issued by Equity Trustees in accordance with the provisions of the Constitution.

The Application Price will vary as the market value of assets in the Fund rises or falls.

Making additional investments

You can increase your units in the Fund by reinvesting distributions (see below) or by making additional investments into the Fund at any time by sending us your additional investment amount together with a completed Application Form. The minimum additional investment into the Fund is \$1,000 (unless otherwise determined by the Responsible Entity).

Distributions

An investor's share of any distributable income is calculated in accordance with the Constitution and is generally based on the number of units held by the investor at the end of the distribution period.

The Fund usually distributes income semi-annually, at the end of June and December, however, Equity Trustees may change the distribution frequency without notice. Distributions are calculated effective the last day of each distribution period and are normally paid to investors as soon as practicable after the distribution calculation date.

Investors in the Fund can indicate a preference to have their distribution:

- reinvested back into the Fund; or
- directly credited to their AUD Australian domiciled bank account.

Investors who do not indicate a preference will have their distributions automatically reinvested. Applications for reinvestment will be taken to be received immediately prior to the next Business Day after the relevant distribution period. There is no Buy Spread on distributions that are reinvested.

In some circumstances, the Constitution may allow for an investor's withdrawal proceeds to be taken to include a component of distributable income.

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

Access to your money

Investors in the Fund can decrease their units by making a withdrawal request of their investment by completing a written request to withdraw from the Fund and mailing it to:

Blackwattle Investment Partners Registry
Apex Fund Services Pty Ltd
GPO Box 4968
Sydney NSW 2001

Or by email to: registry@apexgroup.com

The minimum withdrawal amount is \$1,000 (unless otherwise determined by the Responsible Entity). Once we receive and accept your withdrawal request, we may act on your instruction without further enquiry if the instruction bears your account number or investor details and your (apparent) signature(s), or your authorised signatory's (apparent) signature(s).

Equity Trustees will generally allow an investor to access their investment within 7 days of acceptance of a withdrawal request by transferring the withdrawal proceeds to such investor's nominated AUD Australian domiciled bank account. However, Equity Trustees is allowed to reject withdrawal requests, and also to make payment up to 21 days after acceptance of a request (which may be extended in certain circumstances) as outlined in the Constitution and Reference Guide.

We reserve the right to accept or reject withdrawal requests in whole or in part at our discretion.

The price at which units are withdrawn is determined in accordance with the Constitution ("Withdrawal Price"). The Withdrawal Price on a Business Day is, in general terms, equal to the NAV of the Fund, divided by the number of units on issue and adjusted for transaction costs ("Sell Spread"). At the date of this PDS, the Sell Spread is 0.25%.

The Withdrawal Price will vary as the market value of assets in the Fund rises or falls.

Equity Trustees reserves the right to fully redeem your investment if your investment balance in the Fund falls below \$25,000 as a result of processing your withdrawal request. In certain circumstances, for example, when there is a freeze on withdrawals, where accepting a withdrawal is not in the best interests of investors in the Fund including due to one or more circumstances outside its control or where the Fund is not liquid (as defined in the Corporations Act), Equity Trustees can deny or suspend a withdrawal request and you may not be able to withdraw your funds in the usual processing times or at all. When the Fund is not liquid, an investor can only withdraw when Equity Trustees makes a withdrawal offer to investors in accordance with the Corporations Act. Equity Trustees is not obliged to make such offers.

If you are an Indirect Investor, 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 and the terms of the IDPS.

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 the 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 will be made available free of charge on request.

Additional information

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 then 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 from ASIC through ASIC's website.

Further reading

You should read the important information in the Reference Guide about:

- Application cut-off times;
 - Application terms;
 - Authorised signatories;
 - Reports;
 - Withdrawal cut-off times;
 - Withdrawal terms; and
 - Withdrawal restrictions,
- under the "Investing in the Blackwattle Global Quality Fund", "Managing your investment" and "Withdrawing your investment" sections before making a decision. Go to the Reference Guide which is available at www.eqt.com.au/insto. The material relating to these matters may change between the time when you read this PDS and the day when you acquire the product.

3. Benefits of investing in the Blackwattle Global Quality Fund

Significant features

The Fund is a long only equities fund that provides exposure to global listed equity securities that are, in the Investment Manager's view, among the highest-quality listed companies in the world, trading at valuations that offer attractive returns to shareholders. The portfolio is concentrated (investing in 20-35 securities), allowing the Investment Manager to focus on its best ideas targeting long term ownership of high-quality businesses.

Significant benefits

Other significant benefits of investing in the Fund may include:

- Exposure to investment opportunities in high and improving quality businesses listed on global share markets;
- Access to an experienced investment team that implements a disciplined investment process aimed at delivering attractive risk-adjusted returns over a long-term investment timeframe.
- Prudent risk management
- Participation in any capital appreciation and the ability to receive distributions (if any) generally on a semi-annual basis;
- Robust compliance and governance structure.

4. Risks of managed investment schemes

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.

Market Risk

Changes in legal and economic policy, technological, climate, political conditions, unexpected major world events, social climate, interest rates, economic cycles, and even investor and market sentiment, may influence (negatively or positively) the value of investments in the Fund. In addition, a fall in the general direction of the equity market may have a negative influence on the performance of the Fund.

Fund risk

Risks particular to the Fund include that it could terminate, the fees and expenses could change and the responsible entity of the Fund

could be replaced. There is also a risk that investing in the Fund may give different results than investing directly in the underlying assets of the Fund themselves because of income or capital gains accrued in the Fund and the consequences of investment and withdrawal by other investors.

Inflation risk

Inflation risk is the risk that returns will not be sufficiently higher than inflation to enable an investor to meet their financial goals.

Interest Rate Risk

Changes in official interest rates can directly and indirectly impact (positively or negatively) on investment returns. Generally, an increase in interest rates has a contractionary effect on the state of the economy and thus may have a negative impact on the Fund. Reasons for interest rate changes include changes in inflation, economic activity and central bank policies.

Investment Manager Risk

There are risks associated with the operational and financial performance of the investment manager and the investment manager could be replaced. In addition, key professionals could change affecting how the Fund is managed.

Currency Risk

The Fund may hold securities denominated in a currency other than Australian Dollars. A change in the value of these currencies relative to the Australian dollar can impact (positively or negatively) on investment returns. Blackwattle Investment does not generally hedge the currency exposure in any way.

Derivative Risk

Blackwattle Investment may, but is not required to, use derivatives as part of its investment strategy. Fluctuations in the price of derivatives reflect movements in the underlying assets, reference rate or index to which the derivatives relate and can be a volatile investment instrument.

Other risks associated with derivatives may include:

- loss of value because of a sudden price move or because of the passage of time;
- potential illiquidity of the derivative;
- the Fund being unable to meet payment obligations as they arise;
- the counterparty to any derivative contract not being able to meet its obligations under the contract; and
- significant volatility in prices.

The derivatives used by the Fund may include exchange traded derivatives and over-the-counter derivatives such as cross currency swaps. Note that neither Equity Trustees nor Blackwattle Investment guarantees that the Fund's derivatives strategy, if used, will be successful.

Individual investment Risk

There may be instances where a company or managed investment scheme will fall in price because of company/managed investment scheme specific factors (e.g. where a company's or manager's major product is subject to a product recall). The value of investments can vary because of changes to management, product distribution or the company's business environment.

Counterparty Risk

Returns may be affected if counterparties experience financial difficulty, fail to perform their services or meet their obligations in the manner anticipated by the Fund.

Concentration Risk

The Fund may concentrate its investments into a small number of securities or into securities in a small subset of an asset that has similar exposure. The value of the Fund may be more volatile than the return of the Benchmark due to this concentration.

Liquidity Risk

Securities in which the Fund is invested, or the Fund itself, may become illiquid. The Investment Manager has attempted to mitigate this risk by ensuring sufficient cash exposure to meet liquidity requirements. There may be times when there may be a limited secondary market for the securities in which the Fund may invest and that may affect the ability of the Fund to realise investments or to meet withdrawal requests (e.g. in a falling market where companies may

become less liquid). Note that neither Equity Trustees nor Blackwattle Investment guarantees the liquidity of the Fund's investments or of investments in the Fund.

Emerging market risk

Securities located or doing business in emerging market countries may involve greater risk of loss and price fluctuation. The market for securities in emerging markets may be less liquid and more volatile than securities of more mature economies. This means the Fund could have greater difficulty buying or selling a security located or doing business in emerging market countries.

Security selection risk

Blackwattle Investment may make investment decisions that result in low returns. This risk is mitigated to some extent by the knowledge and experience of Blackwattle Investment.

Regulatory and legal risk

Governments or regulators may pass laws, create policy, or implement regulation that affects the Fund or its underlying investments or the Investment Manager's ability to execute its investment strategy. Such initiatives may impact either a specific transaction type or market and may be either country specific or global and may include the imposition or tightening of exchange controls or other limitations on repatriation of foreign capital. Such changes may result in the Fund failing to achieve its investment objectives.

Cyber security risk

Unitholder details as well as the Fund's holdings are held electronically. There is a risk of financial loss, disruption or damage from either internal or external, accidental or malicious conduct targeting either Blackwattle Investment or any of its agents or service providers resulting in unauthorised access to digital systems, networks or devices for the purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption.

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, Fund Manager and other service providers could be reduced, delayed, suspended or otherwise disrupted.

5. How we invest your money

Warning: When choosing to invest in the Fund or an option of the Fund, you should consider the likely investment returns, the risks of investing and your investment time frame.

Investment objective

The Fund aims to outperform the MSCI All Country World Net Index in AUD net of fees and expenses but before taxes over a rolling 5 year period.

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

Benchmark

The MSCI All Country World Net Index in AUD

Minimum suggested time frame

The minimum suggested investment time frame for the Fund is five years. The recommended investment timeframe may not be appropriate for you at all times or suit your particular needs. You should regularly review all aspects of your investments.

Risk level

High

This Fund has been assigned a 'higher risk' designation based on its exposure to a concentrated portfolio of global listed equity securities. This grading is not intended to be a guarantee of any actual level of risk or an indication of likely returns.

Investor suitability

The Fund is generally suited for persons seeking medium to long term capital growth and those who can tolerate a high level of risk. You should speak to your financial adviser before investing in the fund.

Investment style and approach

The Fund is a long only equities fund that provides exposure to global listed companies that are, in the Investment Manager's view, among the highest-quality listed companies in the world, trading at valuations that offer attractive returns to shareholders.. The portfolio is concentrated (investing in 20-35 securities), allowing the Investment Manager to focus on its best ideas, targeting long term ownership of high-quality businesses.

The Investment Manager uses a fundamental research process for high conviction investing in quality global listed securities. The investment style aims for long-term ownership of high and improving quality companies resulting in compounding returns.

Asset allocation

To achieve this investment objective, the asset allocation generally utilised by the Fund:

Global equities#:

90 – 100% of the NAV of the Fund

Cash and cash equivalents: 0 – 10% of the NAV of the Fund

The asset allocation is only a target, actual allocations can change significantly and sometimes quickly.

Equity like products may be used to obtain exposure to the relevant asset class.

Changing the investment strategy

The investment strategy and asset allocation parameters may be changed. If a change is to be made, investors in the Fund will be notified in accordance with the Corporations Act.

Labour, environmental, social and ethical considerations

EQT has delegated the investment function (including environmental, social and governance (ESG) responsibilities) to the Investment Manager and the Investment Manager has contemplated that ESG considerations may be taken into account in relation to the investments of the Fund.

Broadly, the Investment Manager's investment process focuses on identifying high quality companies with sustainable business models. Environmental, social and governance ("ESG"), including labour standards and ethical considerations form part of this process, aiming to highlight where sustainability of returns may be at risk due to less than acceptable ESG related cultures, behaviours, policies and actions. However, the Investment Manager has no specific ESG related investment screening criteria nor does it have predetermined views about what it regards to be an ESG consideration. Therefore, when managing the Fund, the team at Blackwattle Investment takes into account labour standards, ESG and ethical considerations for the purposes of selection, retention or realisation of investments in the Fund, but only to the extent these issues have a material impact on either investment risk or return. The Fund's philosophy is that the best outcomes for investors can be achieved through mitigation and management of ESG risk, through detailed analysis and corporate engagement. Where practical, the Investment Manager's preference is to work with organisations to address fundamental ESG related issues to improve underlying performance and report openly on the process and outcome achieved. When the Investment Manager becomes aware of such issues it will look to reflect them in the assessment of any investment in the Fund to the extent that they financially affect the investment. An explicit dollar estimate of expected ESG risks and costs is determined by the Investment Manager and then incorporated as an adjustment to a company's assessed valuation. The determination of an appropriate dollar estimate for ESG risks and costs

is formed during the fundamental research process of understanding a company, its industry and management. The estimate is determined and reviewed in tandem with, and in a similar fashion to, the estimates for the company's forecast profit, financial position, cash flows and valuation, based on information gathered through the fundamental research process. In addition, carbon emissions are sourced from third party data and are used to estimate a specific carbon adjustment for each stock's valuation. By being incorporated into stock valuations, ESG considerations affect the assessed risk-return profile of each stock, which in turn drives portfolio construction and the selection, retention or realisation of investments in the Fund. To further help mitigate ESG risks, the team at Blackwattle Investment Partners undertakes periodic ESG review processes for the portfolio which highlight and consider ESG related risks and trends.

Where the Investment Manager believes the company has demonstrated wilful disregard for ESG considerations, it may choose to avoid or divest the stock on a case by case basis. Where the Investment Manager chooses to divest due to ESG considerations, it may do so within a timeframe it considers reasonable in all the circumstances.

Further information on ESG considerations at Blackwattle Investment and how Blackwattle Investment integrate ESG can be found in its ESG policy which is published on our website www.blackwattlepartners.com.

Fund performance

Up to date information on the performance of the Fund will be available by visiting www.blackwattlepartners.com. A free of charge paper copy of the information will also be available on request by calling Blackwattle Investment on +612 7208 9922. Past performance is not a reliable guide to future performance.

Any of the above details could change at any time and without notice. Where we consider the changes are significant, we will notify you of the changes (and, where required, give you 30 days' prior notice).

6. Fees and costs

DID YOU KNOW

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

For example, total annual fees and costs of 2% of your 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.

The information in the following Fees and Costs Summary can be used to compare costs between different simple managed investment schemes. Fees and costs can be paid directly from an investor's account or deducted from investment returns. For information on tax please see Section 7 of this PDS.

Fees and Costs Summary

Blackwattle Global Quality Fund		
Type of fee or cost	Amount	How and when paid
Ongoing annual fees and costs¹		
Management fees and costs The fees and costs for managing your investment ²	0.90% of the NAV of the Fund ³	The management fees component of management fees and costs are accrued daily 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.
Performance fees Amounts deducted from your investment in relation to the performance of the product	0.25% of the NAV of the Fund ⁴	Performance fees are accrued daily and paid yearly in arrears from the Fund and reflected in the unit price.
Transaction costs The costs incurred by the scheme when buying or selling assets	0.00% of the NAV of the Fund ³	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)		
Establishment fee The fee to open your investment	Not applicable	Not applicable
Contribution fee The fee on each amount contributed to your investment	Not applicable	Not applicable
Buy-sell spread An amount deducted from your investment representing costs incurred in transactions by the scheme	0.25% upon entry and 0.25% 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

¹All 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.

²The management fee component of management fees and costs can be negotiated. See “Differential fees” in the “Additional Explanation of Fees and Costs” below.

³The indirect costs component of management fees and costs and transaction costs is based on a reasonable estimate of the costs for the current financial year to date, adjusted to reflect a 12 month period. Please see “Additional Explanation of Fees and Costs” below.

⁴This represents the performance fee of the Fund which is payable as an expense of the Fund to the Investment Manager. The performance fee is calculated by reference to a reasonable estimate of the performance fee for the current financial year, adjusted to reflect a 12-month period. 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 0.90% 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 daily 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 0.00% 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 and the costs of investing in over-the-counter derivatives to gain investment exposure to assets or implement the Fund’s investment strategy. 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 a reasonable estimate of the costs for the current financial year to date, adjusted to reflect a 12 month period.

In relation to the costs that have been estimated, they have been estimated on the basis of the expected seeding investments.

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.egt.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 the Fund. The performance fees for the Fund are 0.25% of the NAV of the Fund. In respect of the Fund first offered in the current financial year, the performance fee figure that is disclosed in the Fees and Costs Summary is calculated by reference to a reasonable estimate of the performance fee for the current financial year, adjusted to reflect a 12-month period. In relation to the performance fees that have been estimated, they have been estimated on the basis of the expected seeding investments.

A performance fee is payable to the Investment Manager where the investment performance of the Fund after management fees exceeds the Benchmark. The performance fee is 12.50% (inclusive of GST) of this excess and is accrued daily in the unit price and paid annually in arrears from the Fund.

No performance fees are payable until any accrued underperformance (in dollar terms) from previous periods has been recovered (this feature is sometimes referred to as a high-watermark).

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 a 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, and the costs of over-the-counter derivatives that reflect transaction costs that would arise if the Fund held the ultimate reference assets, as well as the costs of over-the-counter derivatives used for hedging purposes. 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 0.25% upon entry and 0.25% upon exit. The dollar value of these costs based on an application or a withdrawal of \$25,000 is \$62.50 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 0.20% p.a. of the NAV of the Fund, which is based on a reasonable estimate of the costs for the current financial year to date, adjusted to reflect a 12 month period.

In relation to the costs that have been estimated, they have been estimated on the basis of the expected seeding investments.

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 Australian Wholesale Clients. Please contact the Investment Manager on +612 7208 9922 for further information.

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 – Blackwattle Global Quality Fund		
BALANCE OF \$50,000 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	0.90% p.a.	And , for every \$50,000 you have in the Blackwattle Global Quality Fund you will be charged or have deducted from your investment \$450 each year
Plus Performance fees	0.25% p.a.	And , you will be charged or have deducted from your investment \$125 in performance fees each year
Plus Transaction costs	0.00% p.a.	And , you will be charged or have deducted from your investment \$0 in transaction costs
Equals Cost of Blackwattle Global Quality Fund		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees and costs of: \$575* 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 \$50,000 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 a reasonable estimate of the performance fee for the current financial year, adjusted to reflect a 12-month period. 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.

Further reading

You should read the important information in the Reference Guide about fees and costs under the “Fees and other costs” section before making a decision. Go to the Reference Guide which is available at www.eqt.com.au/insto. The material relating to these matters may change between the time when you read this PDS and the day when you acquire the product.

7. How managed investment schemes are taxed

Warning: Investing in a registered managed investment scheme (such as the Fund) is likely to have tax consequences. You are strongly advised to seek your own professional tax advice about the applicable Australian tax (including income tax, GST and duty) consequences and, if appropriate, foreign tax consequences which may apply to you based on your particular circumstances before investing in the Fund.

The Fund is an Australian resident for tax purposes and does not generally pay tax on behalf of its investors. Australian resident investors are assessed for tax on any income and capital gains generated by the Fund to which they become presently entitled or, where the Fund has made a choice to be an Attribution Managed Investment Trust (“AMIT”) and the choice is effective for the income year, are attributed to them.

Further reading

You should read the important information in the Reference Guide about Taxation under the “Other important information” section before making a decision. Go to the Reference Guide which is available at www.eqt.com.au/insto. The material relating to these matters may change between the time when you read this PDS and the day when you acquire the product.

8. How to apply

To invest please complete the Application Form accompanying this PDS, send funds (see details in the Application Form) and your completed Application Form to:

Blackwattle Investment Partners Registry
Apex Fund Services Pty Ltd
GPO Box 4968
Sydney NSW 2001
registry@apexgroup.com

Please note that cash and cheques cannot be accepted and all applications must be made in Australian dollars.

Who can invest?

Eligible persons (as detailed in the ‘About this PDS’ section) can invest, however individual investors must be 18 years of age or over.

Investors investing through an IDPS should use the application form provided by their IDPS Operator.

Cooling off period

If you are a Retail Client who has invested directly in the Fund, you may have a right to a ‘cooling off’ period in relation to your investment in the Fund for 14 days from the earlier of:

- confirmation of the investment being received; and
- the end of the fifth Business Day after the units are issued.

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

The right of a Retail Client to cool off does not apply in certain limited situations, such as if the issue is made under a distribution reinvestment plan, switching facility or represents additional contributions required under an existing agreement. Also, the right to cool off does not apply to you if you choose to exercise your rights or powers as a unit holder in 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 to an investment in the Fund by the IDPS. The right to cool off in relation to the Fund is not directly available to an Indirect Investor. This is because an Indirect Investor does not acquire the rights of a unit holder in the Fund. Rather, an Indirect Investor directs the IDPS Operator to arrange for their monies to be invested in the Fund on their behalf. The terms and conditions of the IDPS Guide or similar type document will govern an Indirect Investor’s investment in relation to the Fund and any rights an Indirect Investor may have in this regard.

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.

9. Other information

Consent

The Investment Manager and Administrator have given and, as at the date of this PDS, have not withdrawn:

- their written consent to be named in this PDS as the investment manager and Administrator of the Fund; and
- their written consent to the inclusion of the statements made about them which are specifically attributed to them, in the form and context in which they appear.

The Investment Manager and Administrator have not otherwise been involved in the preparation of this PDS or caused or otherwise authorised the issue of this PDS. None of the Investment Manager or Administrator nor their employees or officers accept any responsibility arising in any way for errors or omissions, other than those statements for which they have provided their written consent to Equity Trustees for inclusion in this PDS.

Further reading

You should read the important information in the Reference Guide about:

- Your privacy;
- The Constitution;
- Anti-Money Laundering and Counter Terrorism Financing (“AML/CTF”);
- NAV for the Fund;
- Indirect Investors;
- Information on underlying investments;
- Foreign Account Tax Compliance Act (“FATCA”); and
- Common Reporting Standard (“CRS”),

under the “Other important information” section before making a decision. Go to the Reference Guide which is available at www.eqt.com.au/insto. The material relating to these matters may change between the time when you read this PDS and the day when you acquire the product.