1. About the Responsible Entity

About the Responsible Entity

Founded in December 2002, OneVue is a professional responsible entity, a wholly owned subsidiary of OneVue Holdings Limited ABN 15 108 221 870 (OneVue Holdings), an ASX listed company (ASX code OVH) which provides services to participants in the wealth management industry with a focus on the superannuation and investment management sectors.

As the Responsible Entity of the Fund and issuer of this PDS, OneVue is responsible for the operation of the Fund in accordance with the Fund’s constitution, the Corporations Act and trust law.

More information about the OneVue group can be found at www.onevue.com.au.

About the Investment Manager

The Investment Manager is responsible for managing the Fund’s assets.

Established in 2011, the Investment Manager’s goals are to develop and deliver low risk savings and retirement solutions that outperform traditional cash and fixed-income products through active portfolio management. As at 31 December 2016, it was investment manager for approximately $450 million in assets.

These savings solutions, which include this Fund, have been created to satisfy demand for lower risk investment products that can:

- provide investors with active cash opportunities that add value generally beyond deposits,
- outperform conventional fixed-income investments without taking significant interest rate duration risk,
- offer investors diversification opportunities away from the volatility of the share market, and
- supply retirees with regular quarterly income.

The Investment Manager is 50% owned by Coolabah Capital Investments Pty Ltd (CCI), to which it sub-delegates all portfolio management responsibilities for the Fund. CCI is 75% owned by its institutional portfolio management team, led by Christopher Joyce and Darren Harvey, and one quarter owned by AMB Holdings, which is a private investment company representing a family office. The other 50% of the Investment Manager is owned by ASX listed Yellow Brick Road Holdings (YBR) which undertakes all retail and certain wholesale distribution, marketing and support activities.

2. How the Fund works

The Smarter Money Fund targets returns above the average returns of traditional cash products, after Management Fees and Administration Fees and Ordinary Expenses.

Investing in the Fund is not the same as putting money in a bank account. The Fund is a unit trust, registered by the Australian Securities and Investments Commission (ASIC) under the Corporations Act. When you invest your money in the Fund, it is pooled together with other investors’ money. This larger pool of money is used to buy investments on behalf of all Fund investors. BNP Paribas Securities Services, Sydney Branch (BNP) is a professional custodian which holds the Fund assets for us. The
Custodian is responsible for, among other tasks, arranging for settlement of sales and purchases of Fund investments. BNP may appoint sub-custodians from time to time, but is not responsible for the investment management of the Fund nor caused the issue of this PDS. We maintain a service level agreement with BNP which has certain limits on its liability. We periodically review BNP’s services. An investor’s interest in the Fund is represented by a number of units, each class of which has identical rights (such as a right to any distributions, certain fees and to vote) and a value which will vary as the market value of assets in the Fund fluctuate. As a unit holder, each investor also has some obligations to us. Investors have no direct interest in the assets of the Fund but rather an undivided interest in the whole.

You can increase your investment by applying and paying for more units, and the number of units issued depends on the amount you invest and the unit price at the relevant time. You can decrease your investment by withdrawing (or redeeming), and the number of units redeemed depends on the amount you withdraw and the unit price at the relevant time.

This Fund aims to pay distributions quarterly. An investor’s entitlement is generally based on the number of units held by the investor at the end of the distribution period. Our policy is to distribute all cash income of the Fund unless we consider it in the best interests of investors as a whole to do otherwise.

Investing for the first time

The minimum initial investment for direct investors – whether investing themselves or with the help of their financial adviser or stockbroker – is $1,000.

The easiest way to get started is to complete our simple online application at www.smitrust.com.au. Using this online application form you can also identify yourself easily, as the law requires, and transfer funds easily with BPAY® or electronic funds transfer (EFT).

We will send you a reference number so you can pay with BPAY®, or you can use EFT.

Alternatively, because the Fund is an mFund (a service provided through ASX), you can buy units in the Fund like the way you buy shares: through your stockbroker. Your stockbroker may charge you a fee to help you acquire units this way. Ask them about this.

Investing more

BPAY® is the easiest way to invest more – you will be given your reference number when you first invest. Or contact your stockbroker if you invest through them.

The minimum additional investment is $1,000, unless you invest through the automated savings plan in which case it is as little as $100 per month.

Further investments are made on the basis of the PDS current at the time of further investment.

We do not accept cash.

Investing regularly

The Fund can help you save to meet your goals. Use the Savings Plan Direct Debit Form to start contributing as little as $100 per month to the Fund automatically from a nominated bank account on or about the 15th of each month.

Contact the Administrator on 1300 133 451. Send it or scan and email the completed form to the Administrator. Your bank may charge you fees if you have insufficient money there when we go to debit your bank account. The Administrator will usually try to contact you if a transaction fails so that you can sort it out with your bank. We don’t accept BPAY® to invest regularly as its minimum is $1,000. Contact the Administrator anytime on 1300 133 451 if you wish to stop your savings plan.

Processing

Applications received before 3pm on a Sydney business day are generally processed by the next Sydney business day, assuming we have everything we need. Once lodged, applications cannot generally be withdrawn. Any interest on lodged application moneys is credited to the Fund and not to individual applicants. Applications are almost always accepted, however OneVue has discretion to refuse any application and does not need to give a reason. Investors will receive confirmation whenever they invest. You can borrow to invest, but please ensure you seek professional advice first.

So-called platform investors (i.e. those who are accessing the Fund through an investment platform) should contact the operator of their platform to invest or to invest more. Remember, processing times may be slightly longer overall, and minimum investment amounts and savings plan arrangements may be different.

Those investing using mFund should speak to their stockbroker, who can assist to invest more in the Fund.

Withdrawing

You generally have access to your investment each day. In some circumstances, such as when there is a freeze on withdrawals, investors may not be able to withdraw their funds within the usual period upon request – see below for details.

To withdraw, use the Request for Withdrawal Form. Contact the Administrator on 1300 133 451. Send it or scan and email it to the Administrator. Withdrawal requests can be faxed or scanned and emailed, but telephone requests aren’t accepted.

If you are using mFund, speak to your stockbroker and they can arrange for access to your investment. Your stockbroker may charge you a fee to help you redeem units this way. You should ask them.

There is no minimum withdrawal, but usually we require that you maintain a minimum balance of $1,000.

Withdrawals are paid to your nominated account, normally within 3 Sydney business days of processing and in any case within 30 days of your request or such shorter period at our discretion. We do not pay cash or by cheque. Withdrawals received before 3pm on a Sydney business day are generally processed by the next Sydney business day, assuming we have everything we need. Once lodged, withdrawal requests cannot generally be withdrawn. Maximum withdrawal periods that may apply are contained in the Fund’s constitution, available free from us.

Deductions are made for any money you owe relating to your investment.

Again, platform investors (i.e. those who are accessing the Fund through an investment platform) need not complete our forms.

Processing times may be slightly longer overall. Speak to your platform operator.

Those investing using mFund should speak to their stockbroker, who can assist to withdraw from the Fund.

The price of units

Unit prices are based on the net asset value of the Fund and will vary as the market value of the assets of the Fund fluctuate. The unit price for withdrawing is slightly different: for the exit price there is a ‘spread’. The Fees and costs section of this PDS gives more detail on the spread. We have a policy that sets out the guidelines and relevant factors and discretions for calculating unit prices. A copy (and records of any departures from the policy) is available from us on request.

The unit price of the Fund is determined at least each Sydney business day, based on the information most recently available. Unit prices are calculated in 3 steps:

- the value of the assets of the Fund is calculated, and value of the liabilities subtracted – this gives the ‘net asset value’,
- this is divided by the number of units on issue, and
an adjustment is generally made for transaction costs (or spread) - see the Fees and costs section of this PDS.

Delays
Access to your money can be delayed in limited circumstances but the Investment Manager considers this unlikely given the Fund’s investments. Those circumstances include where:
- the Fund becomes illiquid (the law dictates this, and if this happens, at our discretion some money can be made available for withdrawals, to be allocated on a pro rata basis among those wanting to withdraw),
- there is a circumstance outside our reasonable control which we consider impacts on our ability to properly or fairly calculate the unit price, or
- withdrawal requests that would result in 20% or more of the net asset value of the Fund being withdrawn (we can stagger payment over such period that we determine).

Unit prices are generally calculated at the time the delay ends.

Compulsory redemptions
We can redeem your investment without asking if you breach your legal obligations to us, to recover money you owe us or anyone else relating to your investment, if law prohibits you from legally being an investor or if you fail to meet any minimum account balance from time to time.

Distributions
Distributions accumulate in the Fund through each quarter ending 30 June, 30 September, 31 December and 31 March and this is reflected in the unit price. Around 7 business days after the end of each quarter, your distribution will be reinvested unless you have chosen on the application form to have distributions paid to you in which case they will be paid to your bank account.

Depending on your personal circumstances you may need to make a cash payment to the Australian Taxation Office (ATO) for tax on your distribution, even if your distribution is reinvested. Unit prices fall after the end of each quarter, reflecting the fact that distributions have been paid to investors and there is less money in the Fund. If you invest just before the end of a distribution period, you may find that you get an immediate return of some of your investment capital as income, and this may give rise to a tax liability.

3. Benefits of investing in the Fund

<table>
<thead>
<tr>
<th>Significant features</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Style</strong></td>
<td>Conservative and actively managed</td>
</tr>
<tr>
<td><strong>Investment exposure</strong></td>
<td>Aims to take advantage of investment opportunities within the Australian cash and fixed-income markets, investing across a range of deposits, money market securities and investment-grade floating-rate debt securities. The Fund may also invest in units in an ASX-listed fund or trust that solely invests in Australian-dollar denominated deposits, issued by Australian Prudential Regulation Authority (APRA) regulated, Authorised Deposit taking institutions</td>
</tr>
<tr>
<td><strong>Suitability</strong></td>
<td>Those seeking returns above the average of traditional cash products</td>
</tr>
<tr>
<td><strong>Investment timeframe</strong></td>
<td>None, but suggested investment timeframe is greater than 1 year</td>
</tr>
<tr>
<td><strong>Minimum initial investment</strong></td>
<td>$1,000</td>
</tr>
<tr>
<td><strong>Minimum additional investment</strong></td>
<td>$1,000 ($100 through our savings plan)</td>
</tr>
<tr>
<td><strong>Minimum balance</strong></td>
<td>$1,000</td>
</tr>
<tr>
<td><strong>Easy set-up</strong></td>
<td>Invest online or through your stockbroker</td>
</tr>
<tr>
<td><strong>Investment Management Fee</strong></td>
<td>0.15% pa – 0.72% pa see the Fees and costs section of this PDS for details</td>
</tr>
<tr>
<td><strong>Administration Fees</strong></td>
<td>0.25% pa</td>
</tr>
<tr>
<td><strong>Performance Fees</strong></td>
<td>A percentage of any amount by which the Fund outperforms the relevant performance benchmark, provided performance was higher than any previously achieved performance level. The percentage is 20.5% for Direct and Assisted Investors and 20.5% for Institutional Investors. See the Fees and costs section of this PDS for details</td>
</tr>
<tr>
<td><strong>Distributions</strong></td>
<td>Quarterly, and unless you choose otherwise, distributions are automatically reinvested</td>
</tr>
<tr>
<td><strong>Applications/withdrawals</strong></td>
<td>Each Sydney business day</td>
</tr>
<tr>
<td><strong>Online access</strong></td>
<td>Access your account details online</td>
</tr>
<tr>
<td><strong>Active management</strong></td>
<td>The investment manager actively selects cash and floating-rate investment-grade assets that maximise investors’ risk-adjusted returns</td>
</tr>
<tr>
<td><strong>Target return</strong></td>
<td>Targets returns above the average returns of traditional cash products, after Management Fees and Administration Fees and Ordinary Expenses – see the Fees and costs section of this PDS for details</td>
</tr>
<tr>
<td><strong>No capped return</strong></td>
<td>No fixed return, such as would be the case with a fixed term deposit</td>
</tr>
<tr>
<td><strong>No fixed term</strong></td>
<td>No fixed term, such as would be the case with a fixed term deposit</td>
</tr>
<tr>
<td><strong>Regular income</strong></td>
<td>Aims to reliably distribute quarterly income</td>
</tr>
</tbody>
</table>
The significant risks of the Fund include the following listed below.

### Investment and credit risk
This is the risk that the value of an individual investment in the Fund may change in value or become more volatile, potentially causing a reduction in the value of the Fund and increasing its volatility. This may be because, amongst many other things, there are changes in government or bank policies, the Investment Manager’s operations or management, or business environment, or a change in perceptions of the risk of any investment. Various risks may lead to the issuer of the investment defaulting on its obligations and reducing the value of the investment to which the Fund has an exposure.

### Market risk
This is the risk that an entire market, country or economy (such as Australia) changes in value or becomes more volatile, including the risk that the purchasing power of the currency changes (either through inflation or deflation), potentially causing a reduction in the value of the Fund and increasing its volatility. This may be because, amongst many other things, there are changes in economic, financial, technological, political or legal conditions, natural and man-made disasters, conflicts and changes in market sentiment.

### Interest rate risk
This is the risk that changes in interest rates can have a negative impact on certain investment values or returns. Reasons for interest rates changes are many and include variations in inflation, economic activity and Reserve Bank of Australia (RBA) policies. However, interest rate risk with this Fund is reduced because the Fund predominantly invests in cash and floating-rate debt securities and is prohibited from investing in fixed-rate (i.e. not floating-rate) debt securities with a term to maturity of longer than 12 months.

### Ratings risk
The assets in which the Fund invests may or may not have been assigned credit ratings by independent ratings agencies. A ratings downgrade could significantly reduce the value of an investment and impact the value of the units of the Fund. Credit ratings do not guarantee the credit quality of a security, its underlying assets or its repayment, and may be re-assessed by ratings agencies in a range of circumstances. Ratings agencies can make mistakes. The Fund seeks to minimise this risk by assessing the credit risks inherent in any investments it makes.

### Financial instruments risk
It is also possible that from time to time derivatives may be used to manage the Fund’s risks when considered appropriate. Using sophisticated financial instruments has certain risks.

Derivatives are not used with the intention to gear the Fund (or cause it to be leveraged). If using a financial instrument brings with it the potential to pay more money, the Investment Manager makes sure that the Fund has the money or assets set aside to meet this requirement. However, various risks remain, including the value of a derivative failing to move in line with the underlying asset, potential illiquidity of a derivative, the Fund (or the underlying investment) not being able to meet payment obligations as they arise, potential leverage (or gearing) resulting from the position and counterparty risk (counterparty risk is where the other party to the derivative cannot meet its obligations).

Specialist professionals are employed to help manage the Fund and have a thorough understanding of the financial instruments it invests in. The Investment Manager deals with issuers and counterparties it considers to be reputable.

Unfortunately, using derivatives to reduce the Fund’s risks is not always successful, is not always used to offset all relevant Fund risk, and is sometimes not cost effective or practical to use.

### Borrowing risk
Although the Fund does not intend to borrow, the Fund does have an ability to borrow indirectly via the Reserve Bank of Australia’s repurchase facilities in the short-term to manage withdrawals and distributions, although this would be very unusual. Risk associated with borrowing includes that it magnifies both good and bad returns.

### Volatility risk
Markets can be volatile. Investing in volatile conditions usually implies a greater level of risk for investors than an investment in a more stable market. The Fund is expected to have higher volatility than bank deposits but significantly lower volatility than traditional fixed interest funds and equities.

### Valuation risk
The value of the Fund’s underlying investments, as obtained from independent valuation sources, may not accurately reflect the realisable value of those investments. The Fund seeks to reduce this risk by seeking that all the assets of the Fund are valued independently on a daily basis and wherever possible using market prices.

### Liquidity risk
This is the risk that your withdrawal requests cannot be met when you expect. Because cash is paid to your account when you withdraw investments of the Fund it may need to be sold to pay you. Depending on factors such as the state of the markets, selling investments is not always possible, practicable or consistent with the best interests of investors.

This is one of the reasons why the constitution for the Fund specifies limited circumstances where there could be a delay in meeting your withdrawal request. The law sometimes restricts withdrawals. Although you may sell your units privately, you may not find a buyer or a buyer at the price you want.

### Structure risk
This is the risk associated with having someone invest for you. Risks associated with investing in the Fund include that it could be closed and your money returned to you at the prevailing valuations at that time; there can be a change in the responsible entity or at the investment manager (for example if key individuals were no longer involved in managing the Fund); someone involved with your investment (even remotely) does not meet their obligations or perform as expected, assets may be lost, not recorded properly or misappropriated, laws may adversely change, insurers may not pay when expected, systems may fail or insurance may be inadequate. Investment decisions by investment managers such as SMI, although taken carefully, are not always successful.
Investing through an administration platform or through your stockbroker also brings some risks that the operator of the administration platform or your stockbroker may not perform its obligations properly. For instance, the stockbroker may make mistakes, or ASX may halt, suspend or revoke any admission of OneVue or the Fund to mFund. Although unlikely, ASX or stockbroker systems could fail or there could be errors, anomalies or irregularities. Investing in the Fund may give inferior results compared to investing directly (where for example you avoid the impact of others coming and going and may be able to manage your tax situation better).

**Governance risk**

The Investment Manager may take into account environmental, social and governance issues in the management of the Fund. The intention includes to help reduce certain potential credit risks and enhance relative performance of certain asset classes. Be aware that the Investment Manager’s policy does not take into account all labour standards, environmental, social and ethical considerations, and that any assessment of what is or is not such a factor and should or need not be taken into is subjective. Remember that the Investment Manager’s policy can change, and that investing having regard to such factors may not result in environmental, social or governance outcomes improving or desired investment outcomes being achieved. Investments may form part of the portfolio even though they do not meet such standards.

**Information risk**

We are committed to ensuring that your information is kept secure and protected from misuse and loss and from unauthorised access, modification and disclosure. We use the Internet in operating the Fund and may store records in a cloud system. If stored overseas, different privacy and other standards may apply there.

The internet does not however always result in a secure information environment and although we take steps we consider reasonable to protect your information, we cannot absolutely guarantee its security.

**Managing risk**

As risk cannot be entirely avoided when investing, the Fund aims to identify and manage risk as far as is practicable.

Whenever investments are made, the potential for returns in light of the likely risks involved are assessed.

Risk is considered throughout the investment process and at each level of the investment process. As far as is practicable, risk is managed at both the individual investment and the Fund level.

However, many risks are difficult or impracticable to manage effectively and some risks are beyond our and the Investment Manager’s control altogether.

Although the Fund is not the same as a bank account, the Fund does have a considered investment approach: see section 5 where some of the steps taken to manage risk are discussed.

**Risk generally**

The significant risks of investing in managed investment schemes generally include the risks that:

- the value of investments will vary, the level of returns will vary, and future returns will differ from past returns,
- returns are not guaranteed and investors may lose some or all of their money, and
- laws change.

The level of risk for you particularly will vary depending on a range of other factors, including age, investment timeframe, how other parts of your wealth are invested and your risk tolerance. If you are unsure whether this investment is suitable for you, we recommend you consult a financial adviser. If you have questions about the Fund, feel free to call the Administrator.

Further information about the risks of investing in managed investment schemes can be found on ASIC’s MoneySmart website at www.moneysmart.gov.au.

**Risk measure**

The Investment Manager considers that the ‘standard risk measure’ for this Fund is a conservative style fund, with a Very Low risk rating, which means that the estimated number of negative annual returns over any 20 year period is less than 0.5. On a scale of 1 to 7 where 7 is riskiest in this respect, the Fund is in category 1.

The standard risk measure is based on industry guidance to allow investors to compare investment options that are expected to deliver a similar number of negative annual returns over any 20 year period. It is not a complete assessment of all forms of investment risk, for instance it does not detail what the size of a negative return could be or the potential for a positive return to be less than an investor may require to meet their objectives. Further, it does not take into account the impact of fees and tax on the likelihood of a negative return.

Investors should still ensure they are comfortable with the risks and potential losses associated with the Fund.

5. **How we invest your money**

**Warning:** you should consider the likely investment return, risk and your investment timeframe when choosing to invest in the Fund.

**Investment objective**

The Smarter Money Fund targets returns above the average returns of traditional cash products after fees.

More specifically, the fund targets returns that outperform the Reserve Bank of Australia’s (RBA’s) official target cash rate by 1% - 2% pa after Management Fees and Administration Fees and Ordinary Expenses, over a rolling 12 month period.

Recent performance of the Fund is available at www.smitrust.com.au. Your adviser or stockbroker can also provide information. Remember that quoted unit prices, including those available from ASX or through mFund, will be historical and not necessarily the price you will receive when applying or withdrawing.

The investment objective is not intended to be a forecast. It is only an indication of what the investment strategy aims to achieve over a rolling 12 month period. The Fund may not achieve its investment objective. Returns are not guaranteed.

**The Fund’s investments**

The Fund is actively managed by the Investment Manager and aims to take advantage of investment opportunities within the Australian cash and fixed-income markets.

Investment in the Fund is not the same as putting your money into a bank account. The Fund invests in cash instruments and investment grade debt securities, including at-call deposits, term deposits, bank bills, money market securities and investment-grade bonds issued by governments, government-owned enterprises, banks and companies. The Fund may also invest in units in an ASX-listed fund or trust that solely invests in Australian-dollar denominated deposits, issued by Authorised Deposit-taking Institutions (ADIs) which are regulated by the Australian Prudential Regulation Authority (APRA). It is also possible that from time to time derivatives may be used to manage the Fund’s risks when considered appropriate.

**A conservative approach**

Although the Fund is not the same as a bank account, the Fund does have a conservative investment approach:

- all the Fund’s debt securities are rated ‘investment grade’ (that is, a Standard & Poor’s ‘BBB-’ equivalent or above as determined by ratings agencies, when bought),
- the Fund targets a dollar-weighted average Standard & Poor’s ‘A’ credit rating across its bonds and deposits (or equivalent as determined by rating agencies),
all the Fund’s investments are Australian dollar-denominated (so the Fund has no direct exposure to foreign exchange risk),

the Fund targets holding all of its money in a range of bank deposits, money market securities and investment-grade floating-rate debt securities. The Fund may also invest in units in an ASX-listed fund or trust that solely invests in Australian-dollar denominated deposits, issued by APRA-regulated, Authorised Deposit-taking Institutions,

the Fund does not invest directly in listed or unlisted shares (so the Fund has no direct exposure to the volatility or risks of those markets),

the Fund does not invest in fixed-rate debt securities with maturities greater than 12 months (so the Fund does not carry the significant interest rate (or duration) risk associated with these assets) and targets holding interest rate duration risk of less than 3 months,

the Fund places a maximum limit on its exposure to asset-backed securities and requires these to have a minimum ‘A’ credit rating,

the Investment Manager seeks to limit the Fund’s interest rate risk, as defined by changes in capital values resulting from interest rate movements, by investing in short-term deposits and floating-rate debt securities that ensure the Fund’s underlying income moves when the RBA’s cash rate moves,

the Fund is not permitted to use leverage or gearing to enhance its returns, and

the Fund has a Very Low risk rating under the ‘standard risk measure’ (see the Risks section of this PDS for details).

Liquidity

The Fund also has access to liquidity facilities that allow certain investments to be swapped with the RBA in exchange for cash subject to the RBA accepting these investments.

The Fund targets having at least 30% of its investments in cash and investment-grade assets that are determined by the RBA to be eligible securities that are available for repurchase through an RBA liquidity facility for cash.

Social governance

The investment manager considers that that environment, social and governance (ESG) issues can affect investment performance and other issues including like credit ratings. It considers for example that ESG issues are not always fully incorporated by credit agencies when rating Australian fixed-income securities. Accordingly, it may take into account ESG issues as part of its active investment process, including with the goal of helping reduce potential credit risks and enhance investment performance. No formal guidelines are used, nor is any formal weighting given to the ESG issues in portfolio construction. Rather the Investment Manager takes a broad, implicit approach when carrying out this subjective assessment.

The types of ESG that may be taken into account include:

- environmental: weather, pollution and environmental disruption, sustainability, and associated reputational and brand risks,
- social: political stability, human rights issues, privacy and cybersecurity, impact on local communities, health and safety, and associated reputational and brand risks, and
- governance: board composition, risk management track-record, legal and compliance track-record, history of prosecutions, management remuneration, distribution of equity, and associated reputational and brand risks.

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

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

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.

**TO FIND OUT MORE**

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

This section shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the assets of the Fund 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.

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<table>
<thead>
<tr>
<th>Smarter Money Fund</th>
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</thead>
</table>

<table>
<thead>
<tr>
<th>Type of fee or cost</th>
<th>Amount</th>
<th>How and when paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fees when your money moves in or out of the Fund</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Establishment fee the fee to open your investment</td>
<td>Nil</td>
<td>Not applicable</td>
</tr>
<tr>
<td>Contribution fee the fee on each amount contributed to your investment</td>
<td>Nil</td>
<td>Not applicable</td>
</tr>
<tr>
<td>Withdrawal fee the fee on each amount you take out of your investment</td>
<td>Nil</td>
<td>Not applicable</td>
</tr>
<tr>
<td>Withdrawal fee the fee to close your investment</td>
<td>Nil</td>
<td>Not applicable</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Management costs</th>
</tr>
</thead>
</table>

**The fees and costs for managing your investment**

**DIRECT INVESTORS**

Fees are less when you invest more:

<table>
<thead>
<tr>
<th>DIRECT INVESTORS</th>
<th>Amount invested</th>
<th>You pay</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment Management Fee and Administration Fee</td>
<td>On any amount up to $100,000</td>
<td>0.97% pa</td>
<td>These fees are calculated and accrue daily, and are payable monthly in arrears from the Fund’s assets. The Investment Management Fee is negotiable for certain types of investors - see Investment Management Fee below for more detail.</td>
</tr>
<tr>
<td></td>
<td>On any amount between $100,000 and $250,000</td>
<td>0.87% pa</td>
<td></td>
</tr>
<tr>
<td></td>
<td>On any amount above $250,000</td>
<td>0.66% pa</td>
<td></td>
</tr>
</tbody>
</table>
### ASSISTED INVESTORS
Investment Management Fee and Administration Fee

<table>
<thead>
<tr>
<th>Account balance</th>
<th>You pay</th>
<th>Expenses payable from the Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Any balance</td>
<td>0.66% pa</td>
<td></td>
</tr>
</tbody>
</table>

These fees are calculated and accrue daily, and are payable monthly in arrears from the Fund’s assets. The Investment Management Fee is negotiable for certain types of investors - see Investment Management Fee below for more detail.

### INSTITUTIONAL INVESTORS
Investment Management Fee and Administration Fee

<table>
<thead>
<tr>
<th>Account balance</th>
<th>You pay</th>
<th>Expenses payable from the Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Any balance</td>
<td>0.40% pa</td>
<td></td>
</tr>
</tbody>
</table>

These fees are calculated and accrue daily, and are payable monthly in arrears from the Fund’s assets. The Investment Management Fee is negotiable for certain types of investors - see Investment Management Fee below for more detail.

### ALL INVESTORS
Performance Related Fee

If earned, this is 20.5% of any amount by which the Fund outperforms the benchmark for the relevant class, provided that performance has been higher than any previously achieved performance level for that class (details are below).

This fee is only payable if class performs well enough. If payable, the Performance Related Fee is paid shortly after the end of each month. The fee accrues in the unit price for the class through each month. This fee is not negotiable - see Performance Related Fee below for more detail.

### ALL INVESTORS
Ordinary Expenses payable from the Fund

| Nil |

All Ordinary Expenses are paid from the Investment Management Fee or Administration Fee. See Expenses below for more detail.

### ALL INVESTORS
Non-Ordinary Expenses payable from the Fund

| Nil estimate |

Any Unusual Expenses are generally paid from the Fund’s assets. Unusual Expenses are generally paid as incurred. See Expenses below for more detail.

---

### Smarter Money Fund Example

<table>
<thead>
<tr>
<th>Example</th>
<th>Balance of $50,000 including a contribution of $5,000 during the year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entry Fees</td>
<td>Nil</td>
</tr>
<tr>
<td>PLUS Investment Management Fee and Administration Fee</td>
<td>DIRECT 0.97% maximum</td>
</tr>
<tr>
<td></td>
<td>ASSISTED 0.66%</td>
</tr>
<tr>
<td></td>
<td>INSTITUTIONAL 0.40% of the net asset value of the Fund including net GST</td>
</tr>
<tr>
<td></td>
<td>DIRECT 0.26%</td>
</tr>
<tr>
<td>PLUS Performance Related Fee</td>
<td>DIRECT 0.53%</td>
</tr>
<tr>
<td></td>
<td>ASSISTED 0.29%</td>
</tr>
<tr>
<td></td>
<td>INSTITUTIONAL 0.53% of the net asset value of the Fund including net GST estimate</td>
</tr>
<tr>
<td></td>
<td>DIRECT 0.26%</td>
</tr>
<tr>
<td>PLUS Ordinary Expenses</td>
<td>DIRECT 0.53%</td>
</tr>
<tr>
<td></td>
<td>ASSISTED 0.29%</td>
</tr>
<tr>
<td>PLUS Non-Ordinary Expenses</td>
<td>DIRECT 0.26%</td>
</tr>
<tr>
<td></td>
<td>ASSISTED 0.29%</td>
</tr>
<tr>
<td></td>
<td>INSTITUTIONAL 0.53%</td>
</tr>
</tbody>
</table>

### Expenses

Investors bear the impact of certain expenses associated with the Fund. We only pay an expense from the Fund if it is incurred in the proper performance of our duties.

All Ordinary Expenses of the Fund are paid from the Management Fee and Administration Fee.

### Indirect costs

This fund has no indirect costs.

### Tax

The Fund does not usually pay tax. You will usually pay tax in relation to your investment. See the section How managed investment schemes are taxed for details.

### Example of annual fees and costs

This table gives an example of how the fees and costs for the Fund can affect your investment over a one-year period. You should use this table to compare the Fund with other managed investment products. It is important to read the assumptions and notes below the table.

---

**Service fees**

<table>
<thead>
<tr>
<th>Switching fee</th>
<th>Not applicable</th>
</tr>
</thead>
<tbody>
<tr>
<td>the fee for changing investment options</td>
<td>Not applicable</td>
</tr>
</tbody>
</table>

Refer to our website for any updates.
7. **How managed investment schemes are taxed**

**Warning:** Investing in a managed investment scheme is likely to have tax consequences. You are strongly advised to seek professional tax advice before you invest or deal with your investment.

This information is a general guide only for Australian resident investors who hold their investment on capital account. It is not a complete statement of relevant tax laws.

You will probably need to pay tax in relation to your investment in the Fund, both on distributions and withdrawals. The amount and type of tax you will need to pay, and when, depends on the tax character of any amounts paid to you, their timing and on your personal financial circumstances.

### Tax can be complex

We strongly encourage you to seek timely professional advice before making investment decisions.

This Fund aims to pay distributions quarterly. Our policy is to distribute all cash income of the Fund unless we consider it in the best interests of investors as a whole to do otherwise. Investors will make these decisions fairly, and you have rights in limited circumstances to object to any such decision. We expect that for the most part, all investors of each class will be treated the same.

This Fund offers regular liquidity in normal circumstances. Investors have less control. It is possible that a liability to pay tax arises on your investment even when we have not paid money to you, and in this case you may need to fund this liability independently of your investment.

Sometimes when we are administering the Fund we learn things new about past tax matters and need to make adjustments. If this happens, it is possible that we will ask you to adjust your own tax records, or the Fund may pay tax or receive a refund and it can be the investors at the time that are subject to this.

Tax outcomes can be different for indirect investors. We strongly encourage you to seek timely professional advice before making investment decisions.

Tax laws change, often substantially. You should monitor reforms to the taxation of trusts in particular and seek your own professional advice that is specific to your circumstances.

8. **How to apply**

**It’s simple**

Read this PDS, including the Information Booklet available at the Download Centre or from us free on request.

Applying online is easiest – it can be completed in minutes at www.smithfund.com.au.

If applying online isn’t for you, you can always use the Application Form and either scan and email it and identification documents or post it to the Administrator:

- FundBPO Pty Limited
- GPO Box 4968
- Sydney NSW 2001
- registry@fundbpo.com

To start a savings plan, you must also complete the Savings Plan Direct Debit Form and either scan and email it or post it to the Administrator.

You can download forms from the Download Centre or contact the Administrator on 1300 133 451.

**Cooling off**

Once lodged, applications cannot generally be withdrawn. However, the law provides you can change your mind: you have 14 days, starting on the earlier of when your confirmation that you are invested is sent, or the end of the 5th day after the day on which your units are issued.

If you have invested through mFund, speak to your stockbroker otherwise speak to the Administrator. In this case, your money will be repaid, although adjustments are made for market movements up or down, as well as any tax and reasonable transaction and administration costs (for example, if you invest $10,000 and the value of the units falls by 1% between the time you invest and the time your request to withdraw your investment is actioned, you could be charged $100 on account of the reduced unit value plus costs).

**Complaints**

If you wish to lodge a complaint, please contact us. We will attempt to resolve your concerns within 45 days. If you remain unhappy we...
will always tell you other steps you can take. One of these is to take your complaint to:

The Financial Ombudsman Service
GPO Box 3
Melbourne, Victoria, 3001
T: 1300 78 08 08 | E: info@fos.org.au.

FOS is independent of OneVue and the Investment Manager. FOS has some rules which may change from time to time, including that the claim involved must generally be under $500,000. Current details can be obtained from www.fos.org.au.

Keeping you informed

Contact our Administrator to set up online access for your account. Email them at registry@fundbpo.com.

We send you an initial confirmation statement, transaction statements, an annual holding statement and taxation statement.

Monthly investment reports and other information on your investment – such as unit prices are available at the Download Centre.

Each September, the Fund’s accounts will be available there (we will also email or mail them to you if you wish).

Copies of documents we may lodge with ASIC (such as any half-year and annual financial reports) may be obtained from or inspected at an ASIC office or distributor. We will send you copies of any document which we lodge, if you request.

We will make information required to be disclosed under continuous disclosure obligations available at the Download Centre, and you can request a paper copy free of charge from us anytime.

At www.mfund.com.au you can find information about the fund disclosed by us using ASX’s Market Announcements Platform.

Information that is not materially adverse information is subject to change from time to time. Where this occurs, a website notice will be created at the Download Centre and on our website. A paper copy of any updated information will be given to any person without charge on request.

Information about you

It’s important to keep your details with us up to date – please contact us to correct them if required. You must provide in a timely way all information regarding you and your investment which law requires, for example, regarding your identity or the source or use of invested moneys.

Your rights and other important issues

Our legal relationship with investors is governed by the Fund’s constitution together with this PDS and certain financial services laws. Some provisions are discussed elsewhere in this PDS and others include:

- the nature of units of the Fund (all units of each class are identical),
- our powers (and how and when we can exercise them),
- when the Fund terminates (we can terminate the Fund at any time and the relevant investors share the net proceeds on a pro-rata basis),
- when we can retire and what happens if we do (usually another responsible entity will be appointed), and
- changing the constitution (we need investors’ approval for any changes which are adverse to rights).

We will send you a copy of the constitution free of charge if you ask.

Updating your details

For a change of address or other contact details, please forward to the Administrator a signed request or notify your stockbroker if you are investing using mFund. For a change of nominated bank account (for receipt of distributions and/or withdrawals), please forward to the Administrator a signed request and a copy of a bank statement for the new account, showing the account name, BSB and account number.

Transferring your units

Investors wishing to transfer your units (including recording change of trustees) should contact us. You often need to pay stamp duty.

Privacy

We respect what you tell us. We use personal information about you principally to administer your investment, comply with laws and conduct research. The Investment Manager may also use it to conduct direct marketing - if you do not want this, say so using the Application Form or just contact us. We will not share any information that it has about you unless:

- our policy allows,
- you otherwise agree,
- in circumstances where the Australian Privacy Principles authorise the use or disclosure (for example, the law requires),
- a regulator or exchange requests,
- we consider that someone needs the information (typically because they are a regulator or exchange, or your adviser or stockbroker or they assist us), or
- to administer your investment.

If you do not provide us with your contact details and other personal information which they ask for, we may not be able to have or keep you as an investor. You may access the personal information about you that we hold. If details we hold about you are incorrect, they will generally be corrected, always free of charge, if you contact us. We will have no information about you if you are investing through an administration platform. A copy of our Privacy Policy is available on our website.

Meetings and changes of the responsible entity

Investor meetings are uncommon. Direct investors can generally attend and vote and meetings are largely regulated by the Corporations Act. The quorum is generally at least 2 investors present in person or by proxy together holding at least 10% of all units in the relevant class.

Changes of responsible entity are also uncommon. They too are largely regulated by the Corporations Act. Direct investors can requisition a meeting. The quorum for a meeting where there is any proposal to remove the responsible entity is at least 2 investors present in person or by proxy together holding at least 50% of all units in the Fund.

Terminating the Fund

We can decide to terminate the Fund anytime, and if we do, we will generally sell all the investments, pay all monies owing (including fees and expenses) and distribute the net proceeds to investors as soon as we consider practicable. It can take some time to finalise this process.

Limits on our responsibility

The constitution has some limits on when we are liable to investors for any loss suffered in any way relating to their investment in the Fund and provides that they will not, by reason of being an investor alone, be personally liable to indemnify...
the responsible entity and/or any creditor in the event that the liabilities of the Fund exceed the assets of the Fund. However, an absolute assurance about these things cannot be given – the issue has not been finally determined by Australian courts.

Legal

The Investment Manager, YBR and YBRIS have each given and not withdrawn their consent to be named in this PDS in the form and context in which they appear and to inclusion of the statements describing them and their roles.

They make no other statements or representations in this PDS. Neither ASX nor ASIC takes any responsibility for the contents of this PDS or the issuing or redeeming of units by us. The fact that ASX may admit the Fund to ASX’s mFund is not to be taken in any way as an indication of the merits 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, you can request a paper copy free of charge from us during the life of this PDS. Unless otherwise stated, all figures are in Australian dollars and include the net impact of GST.

Investing through an administration platform

An investor through an administration platform is not an investor in the Fund, and some things are different for them. Platform investors:

- are not investors in the Fund (the administration platform operator is the investor),
- do not acquire the rights of an investor (the administration platform operator has these rights),
- do not receive distributions or reports directly from us (we send these to the administration platform operator),
- do not directly participate in investor meetings or directly in any winding up of the Fund (the administration platform operator can participate if it chooses), and
- need not complete the application form or investor identification forms accompanying this PDS.

The minimum amounts to invest and withdraw depend on your administration platform, as do the overall times to invest and withdraw and the costs you pay.

Please read your administration platform guide carefully. Neither OneVue nor the Investment Manager is responsible for the operation of any administration platform, but investors who wish to access the Fund through an administration platform are authorised to use this PDS for that purpose.

Your promises when you invest

When you apply to invest, whether to us or through mFund, you (the applicant) are telling us:

- you have received, read and understood the current PDS and Information Booklet,
- monies deposited are not associated with crime, terrorism, money laundering or terrorism financing (nor will monies received from your account have any such association),
- you are not bankrupt or a minor, and
- you agree to be bound by the constitution of the Fund and the PDS (as supplemented, replaced or re-issued from time to time).

9. Further Information

Investors

Contact SMI on 1300 901 711 or the Administrator FundBPO Pty Limited on 1300 133 451
E: info@smitrust.com.au or registry@fundbpo.com GPO Box 4968 Sydney NSW 2001
Fax: 02 9251 3525
www.mainstreambpo.com.au
Investor Login: https://smitrust.fundbpo.com
Find forms at the Download Centre: www.smitrust.com.au

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