

Cordis Global Medical Technology 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 Cordis Global Medical Technology Fund (the “Fund”). It contains a number of references to important information (including a glossary of terms), contained in the Cordis Asset Management 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 in Australia and New Zealand (electronically or otherwise). New Zealand investors must read the Cordis Global Medical Technology Fund New Zealand Investor Information Sheet before investing in the Fund. All references to dollars or “\$” in this PDS are to Australian dollars. New Zealand investors wishing to invest in the Fund should be aware that there may be different tax implications of investing in the Fund and should seek their own tax advice as necessary.

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 Mainstream Fund Services Pty Ltd on 1300 133 451 or +61 2 8259 8888, visiting <https://cordisam.com/>, emailing enquiries@cordisam.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 Mainstream Fund Services Pty Ltd on 1300 133 451 or +61 2 8259 8888, visiting <https://cordisam.com/>, emailing enquiries@cordisam.com. A paper copy of the updated information will be provided free of charge on request.

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Investment Manager

Cordis Asset Management Pty Ltd
ABN 68 637 078 490
Corporate Authorised Representative, No
1282680, of Lanterne Fund Services Pty Ltd (ACN
098 472 587, AFSL 238198)
Level 9, 66 Hunter Street
Sydney NSW 2000
Ph: +61 2 8320 6195
Web: <https://cordisam.com/>

Administrator/Custodian

Mainstream Fund Services Pty Ltd
Unit Registry
GPO Box 4968
Sydney NSW 2001
Ph: 1300 133 451 or +61 2 8259 8888
Fax: +61 2 9251 3525
Web: www.mainstreamgroup.com

Responsible Entity

Equity Trustees Limited
ABN 46 004 031 298, AFSL 240975
GPO Box 2307
Melbourne VIC 3001
Ph: +613 8623 5000
Web: www.eqt.com.au/insto

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

The Investment Manager

Cordis Asset Management Pty Ltd (ABN 68 637 078 490) ("Cordis")

Cordis is a Corporate Authorised Representative, No 1282680, of Lanterne Fund Services Pty Ltd (ACN 098 472 587, AFSL 238198).

Cordis is a boutique investment manager specialising in a high conviction, actively managed, long-only global equity strategy, focused on listed medical technology companies.

Cordis was founded in Sydney by a group of surgeons, medical device experts and professional investment managers with the express purpose to create a fund to invest in global listed companies which develop and market medical technologies addressing chronic diseases.

For the purpose of implementing the strategy and investing in listed companies that make medical devices, Cordis have assembled a highly qualified Board, Investment Committee, Investment Team and Medical Advisory Panel, with professional investment, medical and device specialities on both the investment and governance teams.

Further details can be found at <https://cordisam.com/>

2. How the Cordis Global Medical Technology 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 or completing the online Application Form on the website: <https://cordisam.com/>. The minimum initial investment amount for the Fund is \$50,000.

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

Mainstream Fund Services Pty Ltd
Unit Registry
GPO Box 4968
Sydney NSW 2001

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%.

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

Making additional investments

You can make additional investments into the Fund at any time by sending us your additional investment amount together with a completed Application Form. The minimum additional investment into the Fund is \$10,000.

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 annually at the end of June, 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.

New Zealand investors can only have their distribution directly credited if an AUD Australian domiciled bank account is provided, otherwise it must be reinvested (refer to the Cordis Global Medical Technology Fund New Zealand Investor Information Sheet)

Access to your money

Investors in the Fund can generally withdraw their investment by completing a written request to withdraw from the Fund and mailing it to:

Mainstream Fund Services Pty Ltd
Unit Registry
GPO Box 4968
Sydney NSW 2001

Or sending it by fax to +61 2 9251 3525

The minimum withdrawal amount is \$10,000. 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 3 Business Days of acceptance of a withdrawal request by transferring the withdrawal proceeds to such investor's nominated 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 \$50,000 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;
- Online applications;
- Authorised signatories;
- Reports;
- Withdrawal cut-off times;
- Withdrawal terms; and
- Withdrawal restrictions,

under the "Investing in the Cordis Global Medical Technology Fund", "Managing your investment" and "Withdrawing your investment" sections before making a decision. Go to the Reference Guide which is available at www.cordisam.com. 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 Cordis Global Medical Technology Fund

- **Active management:** investments are actively managed to focus on generating capital growth.
- **In-house sector expertise:** Cordis' investment process incorporates a Medical Advisory Panel
- **Returns:** aims to provide consistent risk-adjusted returns across different market cycles
- **Capital growth:** potential for capital growth through the Fund's exposure to predominantly offshore investments in the medical technology sector.

The Fund's investment portfolio is actively managed by a dedicated Portfolio Management Team, utilising both external company research and internally being advised by the Cordis Global Medical Advisory Panel ("Medical Advisory Panel"), comprised of leading clinical practitioners in chronic disease and experts on medical devices. For further details, see Cordisam.com website.

The Medical Advisory Panel bring decades of personal experience in clinical practice, academic research and the development and utilisation of medical technology. They add depth and experience to the investment process and provide insights that may assist Cordis in the investment selection process of the Fund.

Refer to "5. How we invest your money" in this PDS for more information regarding the Fund's investments and Cordis' investment process.

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.

The main risk factors which may affect the returns of the Fund include, but are not limited to:

Market

There are inherent risks of adverse movements in the equity markets and specific risks of investing in equities (changing profitability of companies and sectors, prevailing economic climate, business sentiment, government and regulatory policies, shares issued and investor demand).

The value of your investment and market price of investments owned by the Fund may be affected by changes in legal and economic policy, political events, technology failure, economic cycles, investor sentiment and social climate, which can all directly or indirectly create an environment that may influence (negatively or positively) the value of your investments in the Fund. Different factors may impact the value of individual, class or country positions at different times. An adverse move in the general level of the financial markets can have a negative influence on the performance of the Fund. Neither past nor expected performance should be taken as an indication or guarantee of future performance.

Manager

The Fund is subject to manager risk because the Fund is actively managed. In making investment decisions for the Fund, the investment strategy outlined in this PDS will be followed, but there is no guarantee that these decisions will produce the intended result. There can be no assurance that the Fund's objective will be realized or that investors will receive any return on their investment.

Investment

The Investment Manager uses an investment selection process to identify opportunities which it believes are most likely to allow the Fund to meet its investment objective over the medium to long term. The Fund may have a more concentrated exposure to some companies or countries and no exposure to others. These investments may not perform in line with the Investment Manager's expectations and as a result there is a risk that an investor may lose some or all of its investment in the Fund. The Fund portfolio constituent companies may vary significantly from the Benchmark index portfolio constituents and the Fund performance may vary significantly from that index as a consequence. An investment in the Fund carries risk and neither the performance of the Fund nor the security of your capital is guaranteed by the Responsible Entity or the Investment Manager.

Company Specific

An investment in a company by the Fund may be affected by unexpected changes in that company's operations (e.g. changes in management or the loss of a major customer) and business environment. The Fund may have up to 25% of NAV invested in a single company, so a single company's performance can have a significant impact on performance of the Fund.

Foreign Investment

Investment in foreign companies may decline in value because of sovereign, political, economic or market instability, the absence of accurate information about the companies or risks of unfavourable government actions. The Fund is expected to carry a majority of its investments on US exchanges, and therefore has a high correlation to the US market.

Foreign Currency

The Fund will have exposure to foreign companies which in turn will have assets and earning in many countries and currencies. These assets and earnings will be subject to currency fluctuations between the country of earnings and the currency in which the investment is listed and denominated, which may cause the value of an investment in the Fund to fall.

Unhedged Investment

The Fund assets will be unhedged. Therefore, the return is exposed to fluctuations in the AUD currency and particularly exposed to USD where a majority of the Fund's target companies are listed. Due to exchange rates, the value of the investment may fluctuate positively or negatively in AUD terms in a manner unrelated to the mandate of the fund.

Although the objective of the fund is expressed in terms of a benchmark presented in AUD, the underlying currency of the nominated benchmark is USD. The Fund is invested and managed as if the Fund were invested in USD, and without consideration of the performance of the AUD.

Liquidity

There may be times when securities may not be readily saleable (for example an exchange imposed limit on price fluctuations on a particular day in both falling and rising market conditions) and this may impact the investment and markets to which the Fund has exposure. If there is an interruption to regular trading in a market generally, or for a particular investment to which the Fund has exposure, there may be delays in processing Redemption Requests. Neither the Responsible Entity nor the Investment Manager guarantees the liquidity of the Fund's investments or of investments in the Fund.

Concentration

The Fund may invest a relatively high percentage of its assets in a limited number of securities, regions or currencies, particularly those listed in the United States, which may cause the value of the Fund's investments to be more affected by any single adverse economic, political or regulatory event than the investments of a more diversified investment portfolio.

Personnel

There is a risk that key personnel of Cordis could change or become unable or unavailable to perform their role which may impact on the performance of the Fund.

Fund

Risks particular to the Fund include that it could terminate, the fees and expenses could change, the Investment Manager or Responsible Entity could be replaced, and the investment professionals could change. Additionally, investing in the Fund may give different results than investing directly in the underlying assets of the Fund itself due to a variety of reasons including how income or capital gains may be accrued in the Fund and the consequences of investment and withdrawal by other investors.

Legal and Regulation

Legal risk is the risk of losses occurring as a result of legal issues, principally loss due to the non-enforcement of a contract. This non-enforcement may arise from insufficient documentation, insufficient capacity or authority of a counterparty, uncertain legality or unenforceability in bankruptcy or insolvency.

There is also risk that laws, including taxation laws, might change or become difficult to enforce. Investing in foreign markets with different legal and regulatory systems means that foreign investments, particularly emerging markets, may be exposed to more risk than Australian markets.

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

Cordis seeks capital growth over the long-term and outperformance over the S&P Global 1200 Healthcare Index.

Benchmark

The S&P Global 1200 Healthcare Index, in AUD

Minimum suggested time frame

5+ years

Risk level

Medium

Investor suitability

The Fund may be suitable for investors seeking long term capital growth with an investment horizon of 5+ years.

Investment style and approach

The Fund follows a fundamental long-only active strategy. Cordis runs a high conviction actively managed specialised portfolio, limited to between 20-40 stocks selected from the medical technology sub-sector of listed global healthcare companies.

Cordis is a benchmark unaware long-term, buy and hold investor investing in companies with demonstrable growing markets for their products. The Investment Manager utilises both top-down and bottom-up analysis to select stocks.

Investment Process

The Investment Manager employs an integrated investment process, combining the internal and external "top-down" and "bottom-up" research by the Cordis Portfolio Management Team, with the added value of its global Medical Advisory Panel, identifying and researching companies in an iterative and cyclical process, rather than a linear fashion.

The investment process integrates top-down analysis of the medical technology sector taking into account disease types and corresponding technology solutions, with the unique input of the Medical Advisory Panel, to determine the medical devices and corresponding company stocks which Cordis believes should outperform over the long-term. Cordis then use in-depth fundamental bottom-up research, using financial and company data, focusing on return on invested capital, free cash flow, quality of management teams and sustainability of economic moats, or 'barriers to entry', including, for example, the quality, commitment and sustainability of existing patents on devices and manufacturing processes, research and development, global product distribution, franchise and product support, doctor's training and commitment to individual procedures and devices, in order to identify the highest quality businesses among those short-listed.

Asset allocation

It is intended that the Fund will hold a minimum of 20 stocks and a maximum of 40, with the weighting of a single company not exceeding 25% of net asset value of the Fund (NAV).

The Fund may hold cash, up to 10% of NAV, principally in US Dollars, to be held by the Custodian and sub-Custodian.

For efficient portfolio management purposes, and to be as fully invested as possible through the equitising of cash, the Fund may gain exposure to financial indices relevant to the Medical Technology industry through the use of exchange traded funds. Up to 10% of NAV may be held in the aggregate of exposure to exchange traded funds and the Fund's cash holdings.

Note that these are asset allocation ranges for the Fund. If market movements, investments into or withdrawals from the Fund, or changes in the nature of an investment cause the Fund to move outside these ranges, or a limit set out in this PDS, this will be addressed by us or Cordis as soon as reasonably practicable.

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

The Medical Technology industry is inherently a high-quality industry and while Cordis takes into account labour standards, environmental, social and/or ethical considerations when selecting, retaining or realising investments, it does not adhere to any particular set of standards.

Fund performance

Up to date information on the performance of the Fund will be available by visiting <https://cordisam.com/>. A free paper copy of the information will also be available on request.

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

Cordis Global Medical Technology Fund		
Type of fee or cost	Amount	How and when paid
Ongoing annual fees and costs¹		

Cordis Global Medical Technology Fund		
Type of fee or cost	Amount	How and when paid
<i>Management fees and costs</i> The fees and costs for managing your investment ²	1.20% of the NAV of the Fund	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.
<i>Performance fees</i> Amounts deducted from your investment in relation to the performance of the product	0.64% of the NAV of the Fund ³	Performance fees are calculated daily and paid annually in arrears from the Fund and reflected in the unit price.
<i>Transaction costs</i> The costs incurred by the scheme when buying or selling assets	0.00% of the NAV of the Fund	Transaction costs are variable and deducted from the Fund as they are incurred and reflected in the unit price. They are disclosed net of amounts recovered by the buy-sell spread.

Member activity related fees and costs (fees for services or when your money moves in or out of the scheme)

<i>Establishment fee</i> The fee to open your investment	Not applicable	Not applicable
<i>Contribution fee</i> The fee on each amount contributed to your investment	Not applicable	Not applicable
<i>Buy-sell spread</i> 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.
<i>Withdrawal fee</i> The fee on each amount you take out of your investment	Not applicable	Not applicable
<i>Exit fee</i> The fee to close your investment	Not applicable	Not applicable

Cordis Global Medical Technology Fund

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

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

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

³ This 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 1.20% 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 (if any). 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.

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

Performance fees

Performance fees include amounts that are calculated by reference to the performance of the Fund. The performance fees for the Fund are 0.64% of the NAV of the Fund.

As the Fund is 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.

The reasonable estimate calculation method is based on the relevant information for an index of similar investments over the last two years.

In terms of the performance fees payable to the Investment Manager, a performance fee is payable where the investment performance of the Fund after management fees and costs exceeds the performance of the S&P 1200 Global Healthcare index expressed in AUD (the Performance Benchmark). The performance fees are 15% of this excess, calculated daily and paid annually in arrears from the Fund and calculated based on the daily NAV of the Fund over the relevant period. Any underperformance from a prior period must be recouped before a fee can be taken (we call this the 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 at www.eqt.com.au/insto.

Transaction costs

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

The Buy/Sell Spread that is disclosed in the Fees and Costs Summary is a reasonable estimate of transaction costs that the Fund will incur when buying or selling assets of the Fund. These costs are an additional cost to the investor but are incorporated into the unit price and arise when investing application monies and funding withdrawals from the Fund and are not separately charged to the investor. The Buy Spread is paid into the Fund as part of an application and the Sell Spread is left in the Fund as part of a redemption and not paid to Equity Trustees or the Investment Manager. The estimated Buy/Sell Spread is 0.25% upon entry and 0.25% upon exit. The dollar value of these costs based on an application or a withdrawal of \$50,000 is \$125 for each individual transaction. The Buy/Sell Spread can be altered by the Responsible Entity at any time and www.cordisam.com 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 0.28% 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 quotes obtained from vendors.

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% 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 +61 2 8320 6195 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 – Cordis Global Medical Technology Fund

BALANCE OF \$100,000 WITH A CONTRIBUTION OF \$5,000 DURING THE YEAR

Contribution Fees	Nil	For every additional \$5,000 you put in, you will be charged \$0
Plus Management fees and costs	1.20% p.a.	And , for every \$100,000 you have in the Cordis Global Medical Technology Fund you will be charged or have deducted from your investment \$1,200 each year
Plus Performance fees	0.64% p.a.	And , you will be charged or have deducted from your investment \$640 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 Cordis Global Medical Technology Fund		If you had an investment of \$100,000 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: \$1,840* 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 \$100,000 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 have been determined on the basis described under “Performance fees” in the Additional Explanation of Fees and Costs section above. 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.cordisam.com. 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.cordisam.com. 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:

Mainstream Fund Services Pty Ltd
Unit Registry
GPO Box 4968
Sydney NSW 2001

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 has given and, as at the date of this PDS, has not withdrawn:

- its written consent to be named in this PDS as the investment manager of the Fund; and

- its written consent to the inclusion of the statements made about it which are specifically attributed to it, in the form and context in which they appear.

The Investment Manager has 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 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.cordisam.com. The material relating to these matters may change between the time when you read this PDS and the day when you acquire the product.