

# Airlie Australian Share Fund (Managed Fund)



ARSN 623 378 487  
APIR MGE9705AU  
Exchange ticker: AASF

## Product Disclosure Statement | 27 November 2023

Issued by: Magellan Asset Management Limited

ABN 31 120 593 946, AFS Licence No. 304 301

### Contents

1.	Key features at a glance	2
2.	About Magellan Asset Management Limited	3
3.	About Airlie Australian Share Fund and units	3
4.	Buying and selling units on the Securities Exchange	7
5.	Applying for and withdrawing units directly with the Responsible Entity	7
6.	Benefits of investing in the Fund	10
7.	Risks of investing in the Fund	10
8.	The investment objective and strategy	12
9.	Fees and other costs	12
10.	About the Securities Exchange Rules and CHESS	16
11.	Taxation	17
12.	Additional Information	18
13.	Glossary	23
14.	Contact Details	24

### Contact Details

**Address** Level 36, 25 Martin Place  
Sydney NSW 2000

**Website** [www.airlifundsmangement.com.au](http://www.airlifundsmangement.com.au)

**Email** [adviserservices@airlifm.com.au](mailto:adviserservices@airlifm.com.au)

#### Unit Registry — Apex Fund Services

T 1300 127 780 (or +61 2 8259 8566) or 0800 787 621 (NZ)

F +61 2 9247 2822

E [magellanfunds@apexgroup.com](mailto:magellanfunds@apexgroup.com)

A GPO BOX 143, Sydney NSW 2001

#### Adviser Enquiries

T +61 2 9235 4760

E [adviserservices@airlifm.com.au](mailto:adviserservices@airlifm.com.au)

Investment in Airlie Australian Share Fund (“Fund”) is offered by Magellan Asset Management Limited ABN 31 120 593 946 AFS Licence No. 304 301 (referred to in this PDS as “Magellan”, the “Responsible Entity”, the “Investment Manager”, “we”, “our” or “us”).

The Securities Exchange has approved the Fund for admission to trading status on the Securities Exchange under the Securities Exchange Rules; Exchange ticker: AASF. No representation is made concerning the Fund’s continued quotation on the Securities Exchange.

The information in this PDS is of a general nature only and does not take into account an investor’s personal financial situation or needs. Before making an investment decision based on this PDS, investors should consult a licensed financial adviser to obtain financial advice that is tailored to suit their personal circumstances.

The information in this PDS is subject to change from time-to-time. Information that is not materially adverse information can be updated by the Responsible Entity. Updated information can be obtained through the Fund’s website [www.airlifundsmangement.com.au](http://www.airlifundsmangement.com.au). Investors may request a paper copy of any updated information at any time, free of charge.

The Responsible Entity and its employees, agents or officers do not guarantee the success, repayment of capital or any rate of return on income or capital or the investment performance of the Fund. An investor’s investment does not represent deposits or other liabilities of Magellan group companies.

An investment in the Fund is subject to investment risk, which may include possible delays in repayment and loss of income and principal invested. For more information on the risks associated with an investment in the Fund, please refer to Section 7 of this PDS.

This PDS does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register or qualify the Fund in any jurisdiction outside Australia and New Zealand. The distribution of this PDS outside Australia and New Zealand may be restricted by law and persons who come into possession of this PDS outside Australia and New Zealand should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

Unless identified to the contrary, all references to monetary amounts are to Australian dollars. Capitalised terms have the meanings given to them in the Glossary (refer to Section 13).

**Target Market Determination:** The Target Market Determination for the Fund can be found at [www.airlifundsmangement.com.au](http://www.airlifundsmangement.com.au) and includes a description of the class of investors that the Fund is likely to be appropriate for.

## 1. Key features at a glance

Airlie Australian Share Fund		For more information						
<b>Fund name</b>	Airlie Australian Share Fund							
<b>ARSN</b>	623 378 487							
<b>Exchange ticker</b>	AASF							
<b>Responsible Entity and Investment Manager</b>	Magellan Asset Management Limited trading as Airlie Funds Management ABN 31 120 593 946, AFS Licence No. 304 301	Section 2						
<b>About the Fund</b>	<p>The Fund is a registered managed investment scheme. The Fund has been admitted to trading status on the Securities Exchange under the Securities Exchange Rules. The Fund primarily invests in Australian listed securities. The Fund's portfolio will generally comprise 15 to 35 securities at any one time but will also have some exposure to cash.</p> <p>The Fund may also use exchange traded derivatives, in a limited manner, for risk management purposes.</p>	Section 3 and Section 8						
<b>Investment objective</b>	The Fund's primary investment objective is to provide long-term capital growth and regular income through investment in Australian equities.	Section 6 and Section 8						
<b>Asset classes and allocation ranges</b>	<p>The Fund's assets are typically invested within the following asset allocation ranges:</p> <table border="1"> <thead> <tr> <th>Asset Class</th> <th>Investment Range</th> </tr> </thead> <tbody> <tr> <td>Australian listed securities</td> <td>90% - 100%</td> </tr> <tr> <td>Cash and cash equivalents</td> <td>0% - 10%</td> </tr> </tbody> </table>	Asset Class	Investment Range	Australian listed securities	90% - 100%	Cash and cash equivalents	0% - 10%	Section 8
Asset Class	Investment Range							
Australian listed securities	90% - 100%							
Cash and cash equivalents	0% - 10%							
<b>Net asset value</b>	<p>The net asset value ("<b>NAV</b>") of the Fund is calculated by deducting the liabilities (including any accrued fees) of the Fund from the aggregate value of assets.</p> <p>The NAV per Unit is calculated by dividing the NAV by the number of units on issue in the Fund.</p> <p>The NAV for a particular Business Day reflects the value of the Fund based on the value of the Fund's assets at the close of trading in Australia on that day.</p> <p>An indicative NAV per Unit ("<b>iNAV</b>") will be published by the Fund throughout the Trading Day. The iNAV will be updated in respect of portfolio securities or equivalent securities that have live market prices during the Trading Day.</p>	Section 3						
<b>Entering and exiting the Fund</b>	<p>Investors can enter the Fund either by applying for units directly with the Responsible Entity using an Application Form or by buying units on the Securities Exchange.</p> <p>Investors can exit the Fund either by directly making a withdrawal request to the Responsible Entity using a Withdrawal Form or by selling units on the Securities Exchange. You need to hold your units on the issuer sponsored sub-register to make a withdrawal request directly to the Responsible Entity. Your stockbroker can assist you with this process if you hold your units on a HIN.</p> <p>The method by which you enter the Fund does not affect the method by which you can exit the Fund. If you enter the Fund by buying units on the Securities Exchange you can exit the Fund by selling units on the Securities Exchange or by withdrawing directly with the Responsible Entity. If you enter the Fund by applying for units directly with the Responsible Entity you can exit the Fund by selling units on the Securities Exchange or by withdrawing directly with the Responsible Entity.</p> <p>There are important differences between entering and exiting the Fund via the Securities Exchange or by applying for and withdrawing units directly with the Responsible Entity. These differences include, but are not limited to, the entry and exit price you will receive, and whether minimum investment amounts apply to your investment.</p> <p>An investor that applies for units directly with the Responsible Entity may pay a different price for units in the Fund to an investor who buys units on the Securities Exchange at the exact same time. Similarly, an investor who withdraws units directly with the Responsible Entity is likely to receive a different price for units in the Fund to an investor who sells units on the Securities Exchange at the exact same time. These differences in prices received by investors may result in a different return from an investment in the Fund.</p>	Section 3, 4 and 5						

<b>Fund liquidity</b>	<p>Investors can apply for or withdraw units directly with the Responsible Entity or can buy units from and sell units on the Securities Exchange in the same way as any listed security.</p> <p>The Responsible Entity, on behalf of the Fund, may provide liquidity to investors on the Securities Exchange by acting as a buyer and seller of units. At the end of each Trading Day, the Responsible Entity will create or cancel units by applying for or withdrawing its net position in units bought and sold on the Securities Exchange.</p> <p>The Responsible Entity has appointed a market participant to transact and facilitate settlement on its behalf.</p> <p>There may be other circumstances where:</p> <ul style="list-style-type: none"> <li>• withdrawals have been suspended in accordance with the Constitution or the Fund is not liquid (as defined under the Corporations Act). In such circumstances, units in the Fund may continue to trade on the Securities Exchange provided that the Fund continues to comply with the Securities Exchange Rules. If the Fund ceases to comply with the Securities Exchange Rules, the Responsible Entity may seek a trading halt or the Securities Exchange Operator may suspend trading of units in the Fund on the Securities Exchange; or</li> <li>• the Securities Exchange Operator suspends trading of units in the Fund on the Securities Exchange. In such circumstances, investors may continue to withdraw directly with the Responsible Entity unless withdrawals have also been suspended in accordance with the Constitution.</li> </ul>	Section 3 and Section 4
<b>Distributions</b>	Distributions will generally be made semi-annually but may be made more or less frequently at the discretion of the Responsible Entity.	Section 3
<b>Fees and other costs</b>	Please refer to Section 9 for a detailed explanation of fees and costs.	Section 9
<b>Risks</b>	All investments are subject to risk. The significant risks associated with the Fund are described in this PDS.	Section 7
<b>Cooling-off and complaints</b>	Cooling-off rights do not apply to units in the Fund (regardless of whether they were bought on the Securities Exchange or applied for directly with the Responsible Entity) however a complaints handling process has been established.	Section 12
<b>General information and updates</b>	Further information, including any updates issued by the Responsible Entity and other statutory reports, can be found at: <a href="http://www.airlifundsmangement.com.au">www.airlifundsmangement.com.au</a> .	Section 12
<b>Transaction confirmations</b>	<p>Investors buying or selling units on the Securities Exchange will receive transaction confirmations from their stockbroker.</p> <p>Investors who apply for units or withdraw their investment directly with the Responsible Entity will receive transaction confirmations from the Unit Registry, which will include your investor number and SRN.</p>	Section 3
<b>Annual tax reporting</b>	Annual tax statements will be made available in respect of the Fund.	Section 11

## 2. About Magellan Asset Management Limited

Magellan Asset Management Limited trading as Airlie Funds Management is the Responsible Entity and Investment Manager for Airlie Australian Share Fund. As Responsible Entity, we are responsible for the overall operations of the Fund.

Magellan is a wholly owned subsidiary of Magellan Financial Group Limited, which is listed on the Australian Securities Exchange (“Securities Exchange”).

## 3. About the Airlie Australian Share Fund and units

When investors make an investment in the Fund, their money is pooled together with other investors’ money. The Investment Manager uses this pool to buy investments and manage them on behalf of all investors in the Fund in accordance with the Fund’s investment strategy. By investing in the Fund, investors have access to the investment expertise and insights of the investment team.

### Units and NAV per Unit

The Fund is admitted to quotation on the Securities Exchange and units are able to be traded on the Securities Exchange in a similar fashion to listed securities, subject to liquidity.

The NAV per Unit estimates the value of the Fund’s units based on the value of the Fund’s assets at the close of trading in Australia. The NAV per Unit will be published daily on the Fund’s website at [www.airlifundsmangement.com.au](http://www.airlifundsmangement.com.au). The NAV per Unit may fluctuate each day as the market value of the Fund’s assets rises or falls. The Responsible Entity’s NAV Permitted Discretions Policy provides further information about how the NAV per Unit is calculated. Investors can request a copy of the policy free of charge by calling the Responsible Entity on +61 2 9235 4888.

The Responsible Entity has engaged an agent to calculate and disseminate an indicative NAV per Unit (“iNAV”) which will be published on the Fund’s website at [www.airlifundsmmanagement.com.au](http://www.airlifundsmmanagement.com.au) throughout the Trading Day. The iNAV will be updated in respect of portfolio securities or equivalent securities that have live market prices during the Trading Day. No assurance can be given that the iNAV will be published continuously or that it will be up to date or free from error. To the extent permitted by law, neither the Responsible Entity nor its appointed agent shall be liable to any person who relies on the iNAV.

The price at which units trade on the Securities Exchange may not reflect either the NAV per Unit or the iNAV. See “Securities Exchange liquidity” in Section 4 for more details.

### Investing in the Fund

Investors can enter the Fund either by applying for units directly with the Responsible Entity using an Application Form or by buying units on the Securities Exchange.

Investors can exit the Fund either by directly making a withdrawal request to the Responsible Entity using a Withdrawal Form or by selling units on the Securities Exchange. You need to hold your units on the issuer sponsored sub-register to make a withdrawal request directly to the Responsible Entity. Your stockbroker can assist you with this process if you hold your units on a HIN.

The method by which you enter the Fund does not affect the method by which you can exit the Fund. If you enter the Fund by buying units on the Securities Exchange, you can exit the Fund by selling units on the Securities Exchange or by withdrawing directly with the Responsible Entity. If you enter the Fund by applying for units directly with the Responsible Entity you can exit the Fund by selling units on the Securities Exchange or by withdrawing directly with the Responsible Entity.

The following table sets out the key differences between entering and exiting the Fund via the Securities Exchange or by applying for and withdrawing units directly from the Fund. This is a summary only. This PDS should be read in full before making any decision to invest in the Fund. For more information on buying and selling units on the Securities Exchange, see Section 4. For more information on applying to and withdrawing directly from the Fund, see Section 5.

	Buying units on the Securities Exchange	Applying for units directly with the Responsible Entity
<b>How do I make an investment in the Fund?</b>	<p>You can invest in the Fund at any time by purchasing units via your stockbroker.</p> <p>You do not need to complete an Application Form. Your purchase of units will be settled via the CHESS settlement service, generally two Business Days following your purchase.</p>	<p>You can invest in the Fund at any time by sending a correctly completed Application Form together with the required supporting identification documentation to our Unit Registry.</p> <p>If we receive your correctly completed Application Form by 2.00pm (Sydney time) on a Business Day and your cleared funds by close of business on the same Business Day, you will receive the entry unit price applicable to that Business Day. We will generally issue units to you the following Business Day.</p> <p>If you do not meet the cut-off times, we will issue units to you using the entry unit price applicable to the Business Day on which we receive your completed documentation and cleared monies (subject to the applicable cut-off times for that Business Day).</p>
<b>What is my entry price when I make an investment in the Fund?</b>	<p>Your entry price will be the price at which you have purchased units on the Securities Exchange.</p> <p>You will receive a transaction confirmation from your stockbroker informing you of this price.</p> <p>You may incur customary brokerage fees and commissions when you buy units. Investors should consult their stockbroker for further information on their fees and charges.</p>	<p>Your entry price will be the entry unit price applicable to the Business Day on which we receive your completed documentation and cleared monies by the applicable cut-off times.</p> <p>The entry price reflects the NAV per Unit plus an allowance for transaction costs incurred by the Fund. The NAV per Unit estimates the value of the Fund’s units based on the value of the Fund’s assets at the close of trading in Australia on that Business Day.</p>
<b>Is there a minimum number of units I need to purchase?</b>	<p>No. There is no minimum number of units applicable to investors who buy their units on the Securities Exchange.</p>	<p>The minimum initial investment amount for investors applying for units directly with the Responsible Entity is \$10,000.</p> <p>Additional investments can be made into an existing account at any time. A minimum amount may apply to additional investments depending on the method of your payment.</p>

	Selling on the Securities Exchange	Withdrawing units directly with the Responsible Entity
<b>How do I withdraw my investment?</b>	<p>You can withdraw from the Fund at any time by selling units on the Securities Exchange via your stockbroker.</p> <p>Your sale of units will be settled via the CHES settlement service, generally two Business Days following your sale.</p>	<p>You can make a withdrawal of your investment in the Fund by sending a correctly completed Withdrawal Form to our Unit Registry. You can request a specified dollar amount to be withdrawn, a specified number of units to be withdrawn, or a full withdrawal of your investment in the Fund.</p> <p>To withdraw, you must hold your units on the Fund's issuer sponsored sub-register and provide your SRN. Your correctly completed Withdrawal Forms must be received by 2.00pm (Sydney time) on that Business Day.</p> <p>Payment of your withdrawal proceeds will usually be paid two Business Days following your withdrawal. You can usually expect to receive payment into your nominated bank account within seven Business Days.</p>
<b>At what price can I sell my units in the Fund?</b>	<p>Your exit price will be the price at which you sold your units on the Securities Exchange.</p> <p>You will receive a transaction confirmation from your stockbroker informing you of this price.</p> <p>You may incur customary brokerage fees and commissions when you sell units. Investors should consult their stockbroker for further information on their fees and charges.</p>	<p>Your exit price will be the exit unit price applicable to the Business Day on which we receive your correctly completed Withdrawal Form by the applicable cut-off times for that Business Day.</p> <p>The exit price reflects the NAV per Unit less an allowance for transaction costs incurred by the Fund. The NAV per Unit estimates the value of the Fund's units based on the value of the Fund's assets at the close of trading in Australia on that Business Day.</p> <p>If you do not meet the cut-off times you will receive the exit price for the following Business Day, subject to your application meeting the applicable cut-off times for that Business Day.</p>
<b>Is there a minimum number of units I need to withdraw?</b>	<p>No. There is no minimum number of units applicable to either the sale of units on the Securities Exchange or withdrawal of units directly with the Responsible Entity.</p> <p>No minimum balance applies to investments in the Fund.</p>	

### Restrictions on withdrawals

Withdrawals, issuances or switching of units may be suspended by us for up to 28 days including where:

- it is impracticable for the Responsible Entity to calculate the NAV of the Fund, for example, because of an inability to value the assets of the Fund or due to the closure of or trading restrictions or suspensions of securities exchanges on which any significant portion of the investments of the Fund is listed, quoted or traded;
- the payment of withdrawal proceeds involves realising a significant portion of the Fund's assets which would, in our opinion, result in remaining investors bearing a disproportionate amount of capital gains tax or expenses, or suffering any other disadvantage including a material diminution of the value of the Fund's assets or departure from the investment strategy of the Fund;
- we reasonably consider it would be in the interests of investors;
- it is otherwise permitted by law; or
- where we receive withdrawal requests of an aggregate value that in our reasonable estimate would require the sale of 5% or more of the Fund's assets.

The withdrawal process, including the calculation of the NAV per Unit, applies only when the Fund is 'liquid' (within the meaning given to that term in the Corporations Act). Where the Fund ceases to be liquid, units may only be withdrawn pursuant to a withdrawal offer made to all investors in the Fund in accordance with the Constitution and the Corporations Act. We are not obliged to make such offers.

Where withdrawals or switches have been suspended, units in the Fund may continue trading on the Securities Exchange provided that the Fund continues to comply with the Securities Exchange Rules. If the Fund ceases to comply with the Securities Exchange Rules, the Securities Exchange Operator may suspend trading of units in the Fund on the Securities Exchange.

## Compulsory withdrawals

The Responsible Entity may withdraw some or all of an investor's units without asking them in accordance with the Constitution or as permitted by law. As an example, this may occur where an investor breaches their obligations to the Responsible Entity (for example, where the Responsible Entity believes that the units are held in breach of prohibitions contained within the Constitution) or where the Responsible Entity believes that the units are held in circumstances which might result in a violation of an applicable law or regulation.

## Transfer and conversion of units

Your stockbroker will initiate the conversion or transfer of units in the following scenarios:

- You hold units directly with the Fund (SRN holding on the issuer sponsored sub-register) and wish to convert or transfer your units to an account with a stockbroker (HIN holding on the CHESS sub-register). You will need to provide your stockbroker with your SRN. You can only convert or transfer whole units and any partial unit holding remaining after the conversion or transfer will be cancelled and become property of the Fund.
- You hold units in an account with your stockbroker (HIN holding on the CHESS sub-register) and wish to transfer your units to another HIN or to transfer or convert your units to an account directly with the Fund (SRN holding on the issuer sponsored sub-register).

The Unit Registry handles transfers of units for investors who hold units directly with the Fund (SRN holding on the issuer sponsored sub-register) and wish to transfer to another existing account or a new account directly with the Fund.

## Distributions

The Responsible Entity intends to target a cash distribution yield of 4% per annum of the average of the month-end NAV per Unit over the two year rolling period ending on the last Business Day of the prior distribution period ("**Target Cash Distribution**"). The Responsible Entity has the discretion to distribute an amount higher than the Target Cash Distribution.

The distribution will be paid semi-annually (for the periods ending 30 June and 31 December of each year), although the Fund may make distributions more or less frequently at the discretion of the Responsible Entity. The Responsible Entity intends to announce the proposed Target Cash Distribution per Unit on the announcements platform of the Securities Exchange Operator at the beginning of each distribution period. Additionally, the Responsible Entity intends to announce the final distribution per unit, and the distribution timetable, on the announcements platform of the Securities Exchange Operator prior to, or around the time of, the end of each distribution period. The Responsible Entity considers that these announcements will provide investors with greater certainty on the proposed amount of upcoming distributions.

The distribution may comprise an amount attributed to you from income (such as dividends received from shares and interest) less expenses incurred by the Fund (such as management fees and costs) plus net capital gains made on the sale of shares or other investments held. In some circumstances, the Fund may distribute a payment out of the capital invested in addition to a distribution of net income or net capital gains, or where the Fund has not generated any net income or net capital gains during the income year.

To be eligible to receive a distribution in respect of a unit for a distribution period, you must:

- hold that unit on the last day of the distribution period; or
- have purchased (either on-market or off-market) that unit on or before the last day of the distribution period; or
- have applied directly with the Responsible Entity using an Application Form for that unit on or before the last day of the distribution period.

You will not be eligible to receive a distribution in respect of a distribution period on a unit you have sold or withdrawn on or before the last day of the distribution period. The distribution is not calculated on a pro-rata basis according to the time that Fund investors have held their units.

Under the AMIT rules, investors will be assessed for tax on the income of the Fund attributed to them. Where the income of the Fund exceeds the amount of the distribution paid to investors ("**Excess**"), the Responsible Entity may, in a particular year, retain or accumulate in the Fund the amount of the Excess. In this scenario, the income of the Fund that is attributed to you (and that must be included in your income tax return) will be more than the cash distribution paid to you. The tax cost base of your units will increase to the extent of the Excess. For more details, see the Taxation overview in Section 11.

We will send you a tax statement after the end of each financial year detailing the amounts attributed to you to assist in the preparation of your tax return.

You can choose to have your distributions directly credited to your Australian or New Zealand bank account or, to the extent that the Responsible Entity offers a Distribution Reinvestment Plan ("**DRP**"), automatically reinvested as additional units in the Fund. No fees or transaction costs will be payable in respect of distributions that are automatically reinvested. The DRP Rules require that additional units issued to investors will be rounded to the nearest whole number. If you have provided a New Zealand bank account, the conversion of your Australian dollar distribution to New Zealand dollars will be processed by the Fund's bank at the exchange rate prevailing at the processing time. Please be aware that distributions will be paid to you in cash unless you instruct us otherwise.

Details in relation to each distribution will be published on the announcements platform of the Securities Exchange Operator and the Fund's website at [www.airlifundmanagement.com.au](http://www.airlifundmanagement.com.au). The distribution policy of the Fund is current as at the date of this PDS and may be subject to change from time to time.

## Distribution Reinvestment Plan

The Responsible Entity has established a DRP in respect of distributions made by the Fund. In respect of each distribution, the Responsible Entity may elect to offer or not offer the DRP. Under the DRP, an investor may elect to have all, or part of the distribution that is payable to that investor reinvested as additional units in the Fund. The additional units will be issued at a price equal to the NAV per Unit, as provided in the DRP Rules. The DRP Rules provide detail on the methodology for determining the price at which units are issued to investors and can be found at [www.airlifundmanagement.com.au](http://www.airlifundmanagement.com.au).

Elections to participate in the DRP in respect of the relevant distribution must be made by the election date announced by the Responsible Entity in respect of each relevant distribution.

## 4. Buying and selling units on the Securities Exchange

### Buying units on the Securities Exchange

Investors can invest in the Fund by purchasing units via their stockbroker. Investors do not need to complete an Application Form and they will settle the purchase of their units in the same way they would settle purchases of listed securities via the CHESSE settlement service.

There is no minimum number of units applicable to investors who buy units on the Securities Exchange. An investor's entry price into the Fund will be the price at which they have purchased units on the Securities Exchange.

Investors do not have cooling-off rights in respect of units in the Fund (regardless of whether they were purchased on the Securities Exchange or applied for directly with the Responsible Entity).

### Selling your units on the Securities Exchange

Investors can sell their units in the Fund via their stockbroker. Investors who sell units on the Securities Exchange do not need to complete a Withdrawal Form and they will receive the proceeds from the sale of their units in the same way they would receive proceeds from the sale of listed securities via the CHESSE settlement service.

There is no minimum number of units that investors can sell on the Securities Exchange. An investor's exit price will be the price at which they have sold units on the Securities Exchange. Investors can only sell whole units on the Securities Exchange and any residual partial unit holdings will be cancelled and the property attributable to the partial unit will become the property of the Fund.

### Securities Exchange liquidity

Investors can buy units from and sell units on the Securities Exchange to other investors in the secondary market in the same way as for any other listed securities.

The Responsible Entity, on behalf of the Fund, may provide liquidity to investors on the Securities Exchange by acting as a buyer and seller of units. At the end of each Trading Day, the Responsible Entity will create or cancel units by applying for or withdrawing its net position in units bought or sold on the Securities Exchange. The Responsible Entity's appointed agent will act on behalf of the Responsible Entity to transact and facilitate settlement on its behalf.

The price at which the Responsible Entity may buy or sell units will reflect the Responsible Entity's view of NAV per Unit (as referenced by the iNAV), market conditions, an allowance to cover transaction costs and supply and demand for units during the Trading Day. The Fund will bear the risk of any transactions undertaken by the Responsible Entity on the Fund's behalf on the Securities Exchange, which may result in either a cost or a benefit to the Fund. The risks of providing liquidity on the Securities Exchange are explained in Section 7.

## 5. Applying for and withdrawing units directly with the Responsible Entity

### Applying directly to the Fund

You can make an investment in the Fund by sending a correctly completed Application Form together with the required supporting identification documentation to our Unit Registry. The entry price for an investor who applies directly to the Responsible Entity for units in the Fund will be the NAV per Unit plus an allowance for transaction costs incurred by the Fund. The minimum initial investment is \$10,000. Additional investments can be made into an existing account at any time. No minimum amount applies to additional investments made by BPAY®. The minimum amount for an additional investment made using electronic funds transfer ("EFT") or cheque is \$5,000.

We may accept initial and additional investment applications for smaller amounts at our discretion. The processing of applications for lower amounts may be delayed while approval is sought for the lower application amount. We may also reject applications at our discretion.

If you invest into the Fund indirectly through an Investor Directed Portfolio Service ("IDPS") or IDPS-like scheme (commonly referred to as a master trust or wrap account), the minimum investment amount will be determined by the operator of the master trust or wrap account and may be higher or lower than if you invest in the Fund directly.

### How we process transactions

We will process your application and issue units to you when we have received:

- your completed Application Form or Additional Application Form, including any required identification documentation; and
- your cleared application monies into the Fund's application bank account.

If we receive your correctly completed Application Form by 2.00pm (Sydney time) on a Business Day and your cleared funds by close of business on the same Business Day, you will receive the entry unit price applicable to that Business Day. We will generally issue units to you the following Business Day. Otherwise we will issue units to you using the entry unit price applicable to the Business Day on which we receive your completed documentation and cleared monies, subject to the applicable cut-off times.

If you invest by cheque or request us to process a direct debit (available for initial applications only), it may take up to three Business Days (in the case of a cheque) and up to four Business Days (in the case of a direct debit) for your application monies to clear from the date we bank the cheque or issue a direct debit request to your bank. If we receive your cheque or direct debit request before 2.00pm (Sydney time) on a Business Day we will action these on the day we receive them. If they are received after 2.00pm (Sydney time) on a Business Day we will action them the following Business Day. We will not issue units until your application monies have cleared.

For applications made by BPAY® (available for additional applications only), we will not issue units until we receive the money from your nominated financial institution. This generally means there will be a delay between the day you initiate a BPAY® transaction and the day the units are issued. You will need to quote the Fund's Biller Code 287607 and your unique reference number. Refer to your last transaction confirmation or contact the Unit Registry to obtain your unique reference number.

If your cheque, direct debit, BPAY® or EFT is dishonoured by your financial institution, we will not process your application. We will not re-present a dishonoured payment unless you first contact us to discuss your application. We may deduct any fees incurred as a result of the dishonoured payment from your application amount before we issue you with units.

® Registered to BPAY Pty Ltd ABN 69 079 137 518

### **Completing the Application Form**

The Application Form is available from [www.airlifundsmangement.com.au](http://www.airlifundsmangement.com.au).

The Application Form includes details of the identification documentation that we are required by law to collect from you before we can issue units in the Fund to you.

Please mail the completed original of the Application Form, together with certified copies of the requested identification documentation, to our Unit Registry. The Unit Registry's postal address appears on the front of this PDS and on the Application Form. We may also accept applications by other electronic means, which will be outlined on our website.

### **Additional investments**

If you hold units directly with the Fund, you can follow these steps to add to your existing investment using BPAY® without the need to complete any forms. BPAY® provides you with the flexibility to make regular recurring additional investments at the frequency and amount of your choosing. There is no minimum investment amount for additional investments made using BPAY®.

- Using your bank account's BPAY® function, nominate Airlie Australian Share Fund as a Biller. The Biller Code is 287607
- Enter your unique customer reference number ("CRN") that can be found in your last transaction confirmation. Please note that this is different from your investor number or SRN. Please contact the Unit Registry if you require confirmation of your CRN. We will use the CRN to allocate the additional investment to your account.
- Enter the amount of your additional investment. Note that your financial institution will generally allow a recurring BPAY® payment to be set up if you would like to make regular additional investments.
- Save a copy of your BPAY® payment receipt as proof of payment. The Unit Registry will send you a transaction confirmation once units have been issued to you.

Please note that even though your BPAY® transaction is processed from your bank account immediately, your funds may take some time to be transferred to the Fund from your financial institution. Units will be issued only when we receive your funds and will be issued at the entry unit price applicable to the day payment is received.

For additional investments made by EFT or cheque, a minimum investment amount of \$5,000 applies. You will need to notify our Unit Registry by email, fax or mail using the Additional Application Form or otherwise in writing indicating:

- your account name;
- your account/investor number or SRN;
- the name of the Fund into which you are making an additional investment;
- the amount of additional monies you are investing; and
- the method of payment.

If you purchased your units on the Securities Exchange you will be required to supply certain identification documentation to our Unit Registry before you can make additional investments.

### **Payment of your application monies**

We can accept payment of your application monies in Australian Dollars by cheque, Direct Debit (initial applications only), BPAY® (additional applications only) or EFT.

Instructions for making additional investments using BPAY® are set out in the above section entitled "Additional investments".

If you wish to pay by cheque, please make your cheque payable to Magellan Asset Management Limited ATF Airlie Australian Share Fund, and mail the cheque with your Application Form.

EFT payments can be made directly to the Fund's application bank account. The Fund's bank account details are as follows:

<b>Fund:</b>	<b>Bank:</b>	<b>Branch:</b>	<b>Account Name:</b>	<b>BSB:</b>	<b>Account Number:</b>
<b>Airlie Australian Share Fund</b>	National Australia Bank	225 George St, Sydney, NSW, 2000	Magellan Asset Management Limited ATF Airlie Australian Share Fund	082401	92-869-7810

Please include the name of the account under which you are investing in the reference field of your EFT payment to assist us to match your monies against your Application Form.

Any interest earned on the Fund's bank account is retained by the Responsible Entity.

® Registered to BPAY Pty Ltd ABN 69 079 137 518

### **Withdrawing directly from the Fund**

If you hold your units on the Fund's issuer sponsored sub-register then, subject to the Constitution, the Corporations Act and the Securities Exchange Rules, you can apply directly to the Responsible Entity to withdraw some or all of your investment at any time. No minimums apply to withdrawal requests and there is no minimum account balance. To withdraw some or all of your investment, please send a correctly completed Withdrawal Form to our Unit Registry. You can request a specified dollar amount to be withdrawn, a specified number of units to be withdrawn, or a full withdrawal of your investment in the Fund. The exit price for an investor who withdraws directly from the Fund will be the NAV per Unit less an allowance for transaction costs incurred by the Fund.

On the Withdrawal Form you will be required to provide your Securityholder Reference Number ("SRN") or your investor number.

If you hold your units via a stockbroker (and your units are associated with a Holder Identification Number ("HIN")), then you hold your units on the CHESS sponsored sub-register. If you want to withdraw directly from the Fund, you will first need to submit a request

to your stockbroker to have your units converted to an issuer-sponsored holding so that an SRN can be allocated to you by the Unit Registry. The process of converting your broker-sponsored holding to an issuer-sponsored holding is managed by your stockbroker and is subject to their standard processing times. Please contact your stockbroker for further information.

We will accept withdrawal requests via fax, email or mail, except if you are required to provide identification documentation in connection with your Withdrawal Form, in which case we will only accept your request via mail. If you purchased your units on the Securities Exchange, you will be required to supply certain identification documentation as part of your correctly completed Withdrawal Form. All instructions to withdraw should be signed by the nominated authorised signatory or signatories. Under some circumstances, we may need to contact you to request further documentation to confirm the validity of your instruction. This may delay processing of the withdrawal request.

If we receive your correctly completed Withdrawal Form before 2.00pm (Sydney time) on a Business Day on which your units are held on the Fund's issuer-sponsored sub-register, we will calculate the amount of your withdrawal using the exit price applicable to that Business Day. If we receive your withdrawal request after 2.00pm on a Business Day on which your units are held on the Fund's issuer-sponsored sub-register, we will use the following Business Day's exit price.

Under the Constitution, the Responsible Entity may set a minimum withdrawal amount and minimum account balance. If a minimum account balance applies and your withdrawal request results in your remaining investment in the Fund held on the issuer sponsored sub-register falling below the minimum account balance, we may require you to withdraw your entire balance held on the issuer-sponsored sub-register. As at the date of this PDS the Responsible Entity has determined that there is no minimum number of units applicable to either the sale of units on the Securities Exchange or withdrawal of units directly with the Responsible Entity. Additionally, no minimum balance applies to investments in the Fund.

#### **Payment of your withdrawal proceeds**

You can usually expect to receive payment into your nominated bank account within seven Business Days after our receipt and acceptance of your withdrawal request. However, during July and January of each year, or at any other time when the Fund is processing a distribution, payment of your withdrawal may be delayed by up to 15 Business Days. There may be other circumstances, such as a freeze on withdrawals or where the Fund is not liquid (as defined under the Corporations Act), where your ability to withdraw from the Fund is restricted and you may have to wait a period of time before you can withdraw some or all of your investment.

We can only pay withdrawal proceeds to an Australian or New Zealand bank account held in the name of the investor. We are unable to pay withdrawal proceeds to a third party bank account. Normally we will pay withdrawal proceeds to the bank account you nominated on your Application Form when you opened your investment, or if you purchased your units on the Securities Exchange and submit a withdrawal request to the Responsible Entity, the bank account nominated on your Withdrawal Form, or if you have subsequently written to us to change your nominated account, we will pay proceeds to that account. For withdrawal proceeds paid to New Zealand bank accounts, the conversion of your Australian dollar proceeds to New Zealand dollars will be processed by the Fund's bank at the exchange rate prevailing at the processing time.

We will send you a confirmation of your withdrawal once it has been processed and paid.

#### **Switches**

If you hold units directly with the Fund you are able to switch all or part of your investment to another fund managed by Magellan. A switch is a withdrawal from one Magellan fund and an application into another. If we receive your switch instruction before 2.00pm (Sydney time) on a Business Day, we will usually process the switch using the entry and exit prices applicable to that Business Day. If we receive your request after 2.00pm, we will usually process it using the following Business Day's unit prices. In circumstances where the calculation of unit prices is delayed for any reason, including while we are determining and processing distributions, we have the discretion to defer the processing of switches until unit pricing has resumed. We will accept switch requests via fax, email or mail. Instructions to switch should be signed by the nominated authorised signatory or signatories. Under some circumstances, we may need to contact you to request further documentation to confirm the validity of your instruction. This may delay processing of the switch request. We are unable to process switches out of a Fund whilst restrictions on withdrawals apply. If you hold units in the Fund via a stockbroker, you will need to submit a request to your stockbroker to have your units converted to an issuer-sponsored holding before you can make a switch request.

#### **Indirect Investors**

We authorise the use of this PDS as disclosure to persons who wish to access the Fund indirectly through an IDPS or IDPS-like scheme (commonly referred to as a master trust or wrap account). These investors are referred to as "Indirect Investors".

Indirect Investors do not become registered investors in the Fund, nor do they acquire the rights of a registered investor. Instead, as the master trust or wrap account operator is investing on your behalf, it acquires the rights of investors. In most cases, references to 'you' or 'your' in the PDS (for example, receiving distribution income, reinvestment distribution income and withdrawals) is a reference to the master trust or wrap account operator and accordingly their arrangements with you will set out your rights. We do not keep personal information about Indirect Investors.

Further, some provisions of the Fund's Constitution will not be relevant to you. For example, you will generally not be able to attend meetings, or withdraw investments directly. You will receive reports from the master trust or wrap account operator, not us. The master trust or wrap account operator can exercise (or decline to exercise) those rights in accordance with the arrangements governing the operation of the master trust or wrap account.

Enquiries about the Fund should be directed to your licensed financial adviser, master trust or wrap account operator.

## 6. Benefits of investing in the Fund

### Significant features

The Fund's primary investment objective is to provide long-term capital growth and regular income through investment in Australian equities.

The Fund offers investors the opportunity to invest in a specialised and focused Australian equities fund. The Investment Manager's broad investment philosophy is to build portfolios using a bottom up investment approach with a belief that active management can produce significant wealth accumulation relative to passive management. The Investment Manager assesses companies in the investment universe on four key criteria: financial strength, quality of the management team, quality of the business and valuation. The Fund's portfolio will generally comprise 15 to 35 securities.

The Fund may use exchange traded derivatives, in a limited manner, for risk management purposes.

### Significant benefits

Investing in the Fund offers investors a range of benefits, including:

- access to the Investment Manager's investment expertise and a professionally managed Australian equities portfolio;
- access to a concentrated portfolio of attractive Australian listed companies; and
- participation in any capital appreciation and income distributions of the Fund.

## 7. Risks of investing in the Fund

All investments carry risk. The likely investment return and the risk of losing money is different for each investment strategy as different strategies carry different levels of risk depending on the underlying mix of assets that make up each fund. Those assets with potentially the highest long-term return (such as equities) may also have the highest risk of losing money in the shorter term.

Risks can be managed but not completely eliminated. It is important that investors in the Fund understand that:

- the value of an investor's investment may rise and fall;
- investment returns will vary and future returns may differ from past returns;
- returns are not guaranteed and there is a risk that investors may lose money on any investment they make; and
- laws affecting an investor's investment in a managed investment scheme may change over time.

The appropriate level of risk for each investor will depend on various factors and may include their age, investment timeframe, where other parts of their wealth are invested and their overall tolerance to risk. Investors should consult their stockbroker or licensed financial adviser to better understand the risks involved in investing in the Fund.

The significant risks for the Fund are:

**Company specific risk:** Investments by the Fund in a company's securities will be subject to many of the risks to which that particular company is itself exposed. These risks may impact the value of the securities of that company. These risks include factors such as changes in management, actions of competitors and regulators, changes in technology and market trends.

**Concentration risk:** As the Fund will hold a concentrated portfolio of generally between 15 and 35 securities, returns of the Fund may be dependent upon the performance of individual companies. The concentrated exposure may lead to increased volatility in the Fund's NAV per Unit and increased risk of poor performance.

**Conflicts of interest risk:** Either we or our various service providers may from time to time act as issuer, investment manager, secondary market liquidity provider, custodian, unit registry, broker, administrator, distributor or dealer to other parties or funds that have similar objectives to those of the Fund. It is possible that we, or our service providers may have potential conflicts of interest with the Fund. Such conflicts of interest include but are not limited to: management of multiple accounts with varying fee arrangements, trade allocation, proxy voting and staff personal trading. The Investment Manager may invest in, directly or indirectly, or manage or advise other funds which invest in assets which may also be purchased by the Fund. Neither the Investment Manager nor any of its affiliates nor any person connected with it are under any obligation to offer investment opportunities to the Fund.

The Responsible Entity, on behalf of the Fund, acts as a buyer and seller of units on the Securities Exchange. A conflict might arise between the Fund and investors buying or selling units from the Fund on the Securities Exchange due to the Fund's desire to benefit from such trading activities. A conflict might also arise due to the fact that the Responsible Entity could use such trading activities to influence the perception of the performance of the Fund or discourage selling of units as this could reduce the management fee payable to the Responsible Entity.

We maintain a Conflicts of Interest Policy to ensure that we manage our obligations to the Fund such that all conflicts (if any) are resolved fairly.

**Counterparty risk:** There is a risk that the Fund may incur a loss arising from the failure of another party to a contract (the counterparty) to meet its obligations. Counterparty risk arises primarily from investments in cash and derivatives transactions. Substantial losses can be incurred if a counterparty fails to deliver on its contractual obligations.

**Derivatives risk:** The value of a derivative is derived from the value of an underlying asset and can be highly volatile. Changes in the value of derivatives may occur due to a range of factors that include rises or falls in the value of the derivative in line with movements in the value of the underlying asset, potential liquidity of the derivative and counterparty credit risk.

**Distribution policy risk:** Under the distribution policy for the Fund, there may be circumstances where the distributions received by investors in cash may be insufficient to cover an investor's tax payable on the income of the Fund attributable to the investor.

**Fund provision of liquidity on the Securities Exchange risk:** The Responsible Entity, on behalf of the Fund, may provide liquidity to investors on the Securities Exchange by acting as a buyer and seller of units in the Fund. The Responsible Entity has appointed an agent to transact and facilitate the settlement of such transactions on the Fund's behalf. The Fund will bear the risk of these transactions. There is a risk that the Fund could suffer a material cost as a result of the Fund providing liquidity to investors on the Securities Exchange which may adversely affect the NAV of the Fund. Such a cost could be caused by either an error in the execution and settlement of transactions or in the price at which units are transacted on the Securities Exchange. There is a risk that, if the agent appointed by the Responsible Entity does not fulfil its obligations in a correct and timely manner, the Fund could suffer a loss.

In order to manage these risks, the Responsible Entity has the right to cease transacting on the Securities Exchange, subject to its obligations under the Securities Exchange Rules, may change the prices at which it transacts on the Securities Exchange and may, where the Responsible Entity considers it appropriate to do so, hedge the Fund's trading activities.

**Fund risk:** Fund risk refers to specific risks associated with the Fund, such as termination and changes to fees and expenses. The performance of the Fund or the security of an investor's capital is not guaranteed. There is no guarantee that the investment strategy of the Fund will be managed successfully, or that the Fund will meet its investment objectives. Failure to do so could negatively impact the performance of the Fund. An investment in the Fund is governed by the terms of the Constitution and this PDS, each as amended from time to time. The Fund is also governed by the Securities Exchange Rules, and is exposed to risks of quotation on that platform, including such things as the platform or settlements process being delayed or failing. The Securities Exchange may suspend, or remove the units from quotation on the Securities Exchange. The Responsible Entity may elect, in accordance with the Constitution and the Corporations Act, to terminate the Fund for any reason.

**iNAV risk:** The iNAV published by the Fund is indicative only and might not be up to date or might not accurately reflect the underlying value of the Fund.

**Liquidity of investments risk:** Whilst the Fund is exposed to listed securities which are generally considered to be liquid investments, under extreme market conditions, there is a risk that such investments cannot be readily converted into cash or at an appropriate price. In such circumstances, the Fund may be unable to liquidate sufficient assets to meet its obligations, including payment of withdrawals, within required timeframes or it may be required to sell assets at a substantial loss in order to do so.

**Market risk:** There is a risk that the market price of the Fund's assets will fluctuate. This may be as a result of factors such as economic conditions, government regulations, market sentiment, local and international political events, pandemic outbreaks, environmental and technological issues.

**Operational risk:** Operational risk includes those risks which arise from carrying on a funds management business. The operation of the Fund may require us, the Custodian, Unit Registry, administrator, the agent appointed by the Responsible Entity to provide liquidity to investors on the Securities Exchange, and other service providers to implement sophisticated systems and procedures. Some of these systems and procedures are specific to the operation of the Fund. Inadequacies with these systems and procedures or the people operating them could lead to a problem with the Fund's operation and result in a decrease in the value of units.

**Performance risk:** There is a risk that the Fund may not achieve its investment objectives.

**Personnel risk:** The skill and performance of the Investment Manager can have a significant impact (both directly and indirectly) on the investment returns of the Fund. Changes in key personnel and resources of the Investment Manager may also have a material impact on investment returns of the Fund.

**Pooled investment scheme risk:** The market prices at which the Fund is able to invest inflows, or sell assets to fulfil outflows, may differ from the prices used to calculate the NAV per Unit (and the iNAV). Investors in the Fund may therefore be impacted by other investors entering and exiting the Fund. The impact will depend on the size of inflows or outflows relative to the Fund, and on the price volatility of the securities in which the Fund invests. Inflows and outflows may also affect the taxable income attributed to an investor during a financial year.

**Price of units on the Securities Exchange:** The price at which the units may trade on the Securities Exchange may differ materially from the NAV per Unit and the iNAV.

**Regulatory risk:** There is a risk that a change in laws and regulations governing a security, sector or financial market could have an adverse impact on the Fund or on the Fund's investments. A change in laws or regulations can increase the costs of operating a business and/or change the competitive landscape.

**Securities Exchange liquidity risk:** The liquidity of trading in the units on the Securities Exchange may be limited. This may affect an investor's ability to buy or sell units on the Securities Exchange. Investors will not be able to buy or sell units on the Securities Exchange during any period where the Securities Exchange Operator is experiencing a trading outage or where the Securities Exchange Operator suspends trading of units in the Fund. Further, where trading in the units on the Securities Exchange has been suspended, the ability of investors to apply directly to the Responsible Entity to withdraw their investment in the Fund may be suspended and will be subject to the provisions of the Constitution and the Corporations Act.

**The Fund may be removed from quotation by the Securities Exchange Operator or terminated:** The Securities Exchange Rules impose certain requirements for the continued quotation of securities, such as the units, on the Securities Exchange. Investors cannot be assured that the Fund will continue to meet the requirements necessary to maintain quotation on the Securities Exchange. In addition, the Securities Exchange Operator may change the quotation requirements.

The Responsible Entity may elect, in accordance with the Constitution and Corporations Act, to terminate the Fund for any reason including if units cease to be quoted on the Securities Exchange. Information about the Securities Exchange Rules applicable to quotation of units in the Fund on the Securities Exchange is set out in Section 10 of this PDS.

## 8. The investment objective and strategy

An investment in the Fund may suit investors who are seeking a medium to long-term investment exposure to Australian equities. Before deciding whether to invest in the Fund, investors should consider:

- the likely investment return of the Fund;
- the risk involved in investing in the Fund; and
- their investment timeframe.

<b>Investment objective</b>	The Fund's primary investment objective is to provide long-term capital growth and regular income through investment in Australian equities.						
<b>Minimum suggested time frame for holding investment</b>	3 to 5 years						
<b>Asset classes and asset allocation ranges</b>	The Fund's assets are typically invested within the following asset allocation ranges: <table border="1"><thead><tr><th>Asset Class</th><th>Investment Range</th></tr></thead><tbody><tr><td>Australian listed securities</td><td>90% - 100%</td></tr><tr><td>Cash and cash equivalents</td><td>0% - 10%</td></tr></tbody></table>	Asset Class	Investment Range	Australian listed securities	90% - 100%	Cash and cash equivalents	0% - 10%
Asset Class	Investment Range						
Australian listed securities	90% - 100%						
Cash and cash equivalents	0% - 10%						
<b>Investments held</b>	The Fund primarily invests in the securities of Australian listed companies but will also have some exposure to cash and cash equivalents. The Fund may also use exchange traded derivatives, in a limited manner, for risk management purposes.						
<b>Risk level<sup>1</sup></b>	High.						
<b>Fund performance</b>	For up-to-date information on the performance of the Fund, including daily NAV per Unit, iNAV and performance history, please visit <a href="http://www.airlifundmanagement.com.au">www.airlifundmanagement.com.au</a> .						

<sup>1</sup> The risk level is not a complete assessment of all forms of investment risks. For instance, it does not detail what the size of a negative return could be or the potential for a positive return to be less than the return an investor may expect to meet their objectives.

### Derivatives and other investments

The Fund may use derivatives in limited circumstances. The Fund may use exchange traded derivatives on a temporary basis to gain exposure to the underlying reference assets of those derivatives.

The Fund does not intend to engage in short selling or enter securities lending arrangements.

### Borrowing restrictions

The Fund may borrow against all or part of its investment portfolio, provided that, at the time any new borrowing is entered into, the aggregate of those new borrowings and any pre-existing borrowings does not exceed 5% of the Fund's gross asset value.

### Changes to the Fund

The Responsible Entity has the right to close or terminate the Fund and change the Fund's investment return objective, asset classes and asset allocation ranges, currency strategy (if any) and distribution policy, without prior notice in some cases. The Responsible Entity will inform investors of any material changes to the Fund's details in its next regular communication or as otherwise required by law.

### Labour standards and environmental, social or ethical considerations

The Investment Manager believes that issues relating to labour standards and to environmental, social and ethical considerations have the potential to affect the business outcomes of the Fund's investment companies. Accordingly, the Investment Manager considers labour standards and environmental, social and ethical considerations of companies as part of its investment process.

## 9. Fees and other costs

### DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns. For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs. You may be able to negotiate to pay lower fees.  
Ask the fund or your financial adviser.

### TO FIND OUT MORE

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

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

### Fees and costs summary

Airlie Australian Share Fund		
Type of fee or cost	Amount	How and when paid
<b>Ongoing annual fees and costs</b>		
<b>Management fees and costs<sup>1</sup></b> The fees and costs for managing your investment	0.78% per annum <sup>2</sup>	The management fee is calculated daily based on the value of the Fund on that Business Day. An estimate is accrued daily in the NAV per Unit and the fee is payable monthly in arrears from the assets of the Fund.
<b>Performance fees</b> Amounts deducted from your investment in relation to the performance of the product	Nil	Not applicable
<b>Transaction costs</b> The costs incurred by the scheme when buying or selling assets	0.06% per annum	Transaction costs such as brokerage and transactional taxes are incurred by the Fund when the Fund acquires and disposes of securities. Transaction costs are paid out of the assets of the Fund as and when incurred. This transaction costs amount is net of any amounts recovered by the buy-sell spread (see 'Buy-sell spread' below).
<b>Member activity related fees and costs (fees for services or when your money moves in or out of the product)</b>		
<b>Establishment fee</b> The fee to open your investment	Nil	Not applicable
<b>Contribution fee</b> The fee on each amount contributed to your investment	Nil	Not applicable
<b>Buy-sell spread</b> An amount deducted from your investment representing costs incurred in transactions by the scheme	0.14% buy spread 0.14% sell spread	The buy-sell spread is an allowance to cover the transaction costs that arise from investments and withdrawals from the Fund. It represents an additional cost to investors applying and withdrawing directly from the Fund. The entry and exit unit prices for the Fund include an allowance for the buy-sell spread. For more information, see 'Buy and sell spreads'.
<b>Withdrawal fee</b> The fee on each amount you take out of your investment	Nil	Not applicable
<b>Exit fee</b> The fee to close your investment	Nil	Not applicable
<b>Switching fee</b> The fee for changing investment options	Nil	Not applicable

<sup>1</sup> These fees may be individually negotiated if you are a wholesale client (as defined in the Corporations Act). For further information refer to 'Differential fees' in the 'Additional Explanation of Fees and Costs' section of this PDS.

<sup>2</sup> Inclusive of the net effect of Goods and Services Tax ("GST") (i.e. inclusive of GST, less any reduced input tax credits). For more information about GST, see 'Management fees and costs' under the heading 'Additional Explanation of Fees and Costs'.

**Warning:** Your licensed financial adviser may also charge you fees for the services they provide. These should be set out in the Statement of Advice given to you by your adviser.

## Example of annual fees and costs

This table gives an example of how the ongoing annual fees and costs 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 <sup>1</sup> - Airlie Australian Share Fund	Balance of \$50,000 with a contribution of \$5,000 during year <sup>2</sup>	
Contribution Fees	Nil	For every additional \$5,000 you put in, you will be charged \$0.
PLUS Management fees and costs	0.78% p.a.	<b>And</b> , for every \$50,000 you have in the Fund you will be charged or have deducted from your investment \$390 each year.
PLUS Performance fees	Nil	<b>And</b> , you will be charged or have deducted from your investment \$0 in performance fees each year.
PLUS Transaction costs	0.06% p.a.	<b>And</b> , you will be charged or have deducted from your investment \$30 in transaction costs.
EQUALS Cost of the Fund	0.84% <sup>3</sup> p.a.	If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees of: <b>\$420<sup>4</sup></b> . <b>What it costs you will depend on the fund you choose and the fees you negotiate.</b>

<sup>1</sup> This is an example only and does not take into account any movements in the value of an investor's units that may occur over the course of the year or any abnormal costs.

<sup>2</sup> This example assumes the \$5,000 contribution occurs at the end of the first year. Fees and costs are calculated using the \$50,000 balance only.

<sup>3</sup> Fees and costs are inclusive of the net effect of GST (i.e. inclusive of GST, less any reduced input tax credits). Please see the 'Additional Explanation of Fees and Costs' section below for more details.

<sup>4</sup> Please note that this example does not capture all the fees and costs that may apply to you such as the buy-sell spread. Please see the 'Additional Explanation of Fees and Costs' section below for more details.

## Additional Explanation of Fees and Costs

### Management fees and costs

The Fund pays a management fee of 0.78% per annum of the Fund's Net Asset Value ("**NAV**") (before fees) to the Responsible Entity for managing the assets of the Fund and overseeing the operations of the Fund.

The management fees help to cover all ordinary fees, costs, charges, expenses and outgoings that are incurred in connection with the Fund (such as administration and accounting costs, registry fees, audit and tax fees, and investor reporting expenses).

Management fees are calculated each Business Day based on the NAV (before fees) of the Fund at the end of each Business Day and are payable at the end of each month. Estimated management fees are reflected in the NAV per Unit of the Fund.

Under the Fund's Constitution, the Responsible Entity is entitled to receive maximum management fees of 1.00% per annum (excluding GST) of the daily NAV (before fees). The management fees stated in this PDS are inclusive of the estimated net effect of GST (i.e. inclusive of GST, less any reduced input tax credits). To the extent the GST impact changes, the actual management fees may vary from the rates stated above.

In addition to the management fee, where the Fund incurs extraordinary expenses and outgoings, the Responsible Entity may pay for these from the Fund's assets. We may pay extraordinary expenses and outgoings from the Fund's assets because, under the Constitution of the Fund, in addition to the management fee, the Responsible Entity is entitled to be indemnified from the assets of the Fund for any liability properly incurred by us in performing properly any of our duties or exercising any of our powers in relation to the Fund or attempting to do so.

### Transaction costs

Transaction costs such as brokerage and transactional taxes are incurred by the Fund when the Fund acquires and disposes of securities. The transaction costs for the Fund are provided in the "Fees and costs summary" above. These are based on the actual transaction costs incurred by the Fund for the year ended 30 June 2023 and are shown net of any amount recovered by the buy-sell spread charged by the Responsible Entity.

The gross and net transaction costs incurred by the Fund for the year ended 30 June 2023 are provided in the table below:

Total gross transaction costs (% p.a.)	Recovery through buy/sell spread <sup>1</sup> (% p.a.)	Net transaction costs (% p.a.)	For every \$50,000 you have in the Fund you will likely incur approximately:
0.11%	0.05%	0.06%	\$30

<sup>1</sup> Recovery through the buy/sell spread only includes amounts recovered from investors applying and withdrawing directly from the Fund. It does not include any amount the Responsible Entity intends to recover from the prices at which it buys and sells units on the Securities Exchange. For more information, see "Buy and sell spreads".

The amount of such costs will vary from year to year depending on the volume and value of the trading activity in the Fund, and the value of applications and withdrawals processed.

Transaction costs are paid out of the assets of the Fund as and when incurred and are not paid to the Responsible Entity.

Transaction costs are an additional cost to the investor where they have not already been recovered by the buy-sell spread charged by the Responsible Entity.

### **Buy and sell spreads**

A portion of the total transaction and operational costs are recovered from investors applying to and withdrawing directly from the Fund. New investments into the Fund or withdrawals from the Fund will typically cause the Fund to incur transaction costs. So that existing investors do not bear the transaction costs that arise from these investments and withdrawals from the Fund, the Responsible Entity includes an allowance to cover these costs in the prices at which it issues and withdraws units for investors who transact directly with the Responsible Entity. This allowance to cover transaction costs (sometimes called the 'buy spread' and the 'sell spread') represents an additional cost to investors applying and withdrawing directly from the Fund, but are not fees paid to the Responsible Entity.

For an investor applying for units directly with the Responsible Entity, the current buy spread is 0.14% of the NAV per Unit, represented by the difference between the entry price and the NAV per Unit. For an investor applying directly to the Responsible Entity to withdraw their investment in Fund, the current sell spread is 0.14% of the amount that you withdraw, represented as the difference between the exit price and the NAV per Unit. For example, if you invested \$50,000 in the Fund the cost of the buy spread would be \$70, or if you withdrew \$50,000 from your investment the cost of the sell spread would be \$70. We may vary the buy and sell spreads from time to time and prior notice will not ordinarily be provided. Updated information on the buy and sell spreads will be posted on the Fund's website at [www.airlifundmanagement.com.au](http://www.airlifundmanagement.com.au).

For an investor that buys or sells units on the Securities Exchange, the price at which they transact may vary from the prevailing iNAV. The prices on the Securities Exchange are determined in the secondary market by market participants who set their own prices at which they wish to buy or sell units in the Fund. The difference, or spread, from the prevailing iNAV may represent a cost, or possible benefit, of an investment in the Fund. Where the Responsible Entity buys or sells units on the Securities Exchange, the price at which it buys or sells units will generally include an allowance to cover transaction costs but will also reflect market conditions and supply and demand for units during the Trading Day. As such, the cost of the spread on the Securities Exchange may be different to the cost of the 'buy spread' or 'sell spread' for investors who apply or withdraw directly with the Responsible Entity. Where the Responsible Entity buys or sells units the Fund retains the benefit of this spread.

### **Stockbroker fees for investors**

Investors will incur customary brokerage fees and commissions when buying and selling the units on the Securities Exchange. Investors should consult their stockbroker for more information in relation to their fees and charges.

### **Fees for Indirect Investors**

For investors accessing the Fund through a master trust or wrap account, additional fees and costs may apply. These fees and costs are stated in the offer document provided by your master trust or wrap account operator. These are not fees paid to the Responsible Entity.

### **Payments to platforms**

Some master trusts, wrap accounts or other investment administration services ("Platforms") charge product access payments fees (as a flat dollar amount each year) for having the Fund included on their investment menus. We may, therefore, pay amounts from the fees we receive to any Platform through which the Fund is made available. As these amounts are paid by us out of our own resources, they are not an additional cost to you.

### **Financial adviser fees**

Your licensed financial adviser may also charge you fees for the services they provide. These should be set out in the Statement of Advice given to you by your financial adviser. The Responsible Entity pays no commissions related to your investments to financial advisers.

### **Differential fees**

A rebate of part of the management fees or lower management fees may be negotiated with investors who are wholesale clients for the purposes of the Corporations Act. Further information can be obtained by contacting us.

### **Changes in fees**

Fees may increase or decrease for a number of reasons including changes in the competitive, industry and regulatory environments or simply from changes in costs. The Responsible Entity can change fees without an investor's consent but will provide investors with at least 30 days written notice of any fee increase.

### **Taxation**

Taxation information is set out in section 11 of this document.

## 10. About the Securities Exchange Rules and CHES

### Securities Exchange Rules

Units in the Fund are admitted to trading status on the Securities Exchange under the Securities Exchange Rules. The Securities Exchange Rules are accessible at [www.asx.com.au](http://www.asx.com.au).

The following table sets out the key differences between the Securities Exchange Rules and the Listing Rules.

Requirement	Listing Rules	Securities Exchange Rules
<b>Continuous disclosure</b>	Issuers <b>are subject</b> to continuous disclosure requirements under Listing Rule 3.1 and section 674 of the Corporations Act.	<p>Issuers of products quoted under the Securities Exchange Rules <b>are not subject</b> to the continuous disclosure requirements in Listing Rule 3.1 and section 674 of the Corporations Act. The Responsible Entity will comply with the continuous disclosure requirements in section 675 of the Corporations Act.</p> <p>This means that the Responsible Entity will disclose to ASIC information which is not generally available and that a reasonable person would expect, if the information were generally available, to have a material effect on the price or value of the units, provided that such information has not already been included in this PDS (as supplemented or amended).</p> <p>The Responsible Entity will publish such information on the announcements platform of the Securities Exchange Operator and the Fund's website <a href="http://www.airlifundmanagement.com.au">www.airlifundmanagement.com.au</a> at the same time as it is disclosed to ASIC.</p> <p>Under Securities Exchange Rules the Responsible Entity must disclose:</p> <ul style="list-style-type: none"> <li>information about the NAV of the Fund's underlying investments daily;</li> <li>information about withdrawals from the Fund and the number of units on issue;</li> <li>information about distributions paid in relation to the Fund;</li> <li>any other information which is required to be disclosed to ASIC under section 675 of the Corporations Act; and</li> <li>any other information that would be required to be disclosed to the ASX under section 323DA of the Corporations Act if the units were admitted under the Listing Rules.</li> </ul> <p>In addition, the Responsible Entity must immediately notify the Securities Exchange Operator of any information the non-disclosure of which may lead to a false market in the units or which would otherwise affect the price of the units.</p>
<b>Periodic disclosure</b>	Issuers <b>are required</b> to disclose half-yearly and annual financial information and reports to the announcements platform of the relevant securities exchange operator.	<p>Issuers of products quoted under the Securities Exchange Rules are not required to disclose half-yearly or annual financial information or reports to the announcements platform of the Securities Exchange Operator.</p> <p>The Responsible Entity will disclose financial information and reports in respect of the Fund to the announcements platform of the Securities Exchange Operator and will also lodge such financial information and reports with ASIC under Chapter 2M of the Corporations Act.</p>
<b>Corporate governance</b>	Listed companies and listed managed investment schemes <b>are subject</b> to notification requirements under the Corporations Act and the Listing Rules relating to takeover bids, buy-backs, change of capital, new issues, restricted securities, disclosure of directors' interests and substantial shareholdings.	<p>Although the units are quoted under the Securities Exchange Rules, neither the Fund nor the Responsible Entity itself is listed and they are therefore <b>not subject</b> to certain corporate governance requirements.</p> <p>The Responsible Entity will still be required to comply with the related party requirements in Part 5C.7 and Chapter 2E of the Corporations Act and section 601FM of the Corporations Act including that the Responsible Entity may be removed by an extraordinary resolution of members on which the Responsible Entity would not be entitled to vote.</p>
<b>Related party transactions</b>	Chapter 10 of the Listing Rules relates to transactions between an entity and a person in a position to influence the entity and sets out controls over related party transactions.	<p>Chapter 10 of the Listing Rules <b>does not apply</b> to products quoted under the Securities Exchange Rules.</p> <p>The Responsible Entity will still be required to comply with the related party requirements in Part 5C.7 and Chapter 2E of the Corporations Act.</p>

<b>Auditor rotation obligations</b>	Division 5 of Part 2M.4 of the Corporations Act imposes specific rotation obligations on auditors of listed companies and listed managed investment schemes.	Issuers of products quoted under the Securities Exchange Rules <b>are not subject</b> to the auditor rotation requirements in Division 5 of Part 2M.4 of the Corporations Act. An auditor will be appointed by the Responsible Entity to audit the financial statements and Compliance Plan of the Fund.
-------------------------------------	--	---

## About CHES

The Responsible Entity participates in the Clearing House Electronic Sub-register System (“CHES”). CHES is a fast and economical clearing and settlement facility which also provides an electronic sub-register service. The Unit Registry has established and will maintain an electronic sub-register with CHES on behalf of the Responsible Entity.

The Responsible Entity will not issue investors with certificates in respect of units held on the CHES sub-register. Instead, when investors purchase units on the Securities Exchange they will receive a holding statement which will set out the number of units they hold. The holding statement will specify the HIN allocated by CHES or SRN allocated by the Unit Registry.

Subject to the Securities Exchange Rules, Clearing Rules and Settlement Rules, the Responsible Entity may decline to register a purchaser of a unit or units transacted on the Securities Exchange.

## 11. Taxation

**Investing in the Fund is likely to have tax consequences. Before investing in the Fund, investors are strongly recommended to seek their own professional tax advice about the applicable Australian tax consequences and, if appropriate, foreign tax consequences that may apply to them based on their particular circumstances.**

The taxation information contained in this PDS reflects the income tax legislation in force, and the interpretation of the Australian Taxation Office and the courts, as at the date of issue of this PDS. Taxation laws are subject to continual change and there are reviews in progress that may impact the taxation of trusts and investors.

### AMIT Regime

The Fund has elected to become an Attribution Managed Investment Trust (“AMIT”). Accordingly, investors will be subject to tax on the income of the Fund that is attributed to them under the AMIT rules each year ending 30 June. If there is income of the Fund that is not attributed to an investor, the Fund will be subject to tax at the highest marginal rate (plus the Medicare levy) on that non-attributed income. The AMIT rules also allow the Fund to reinvest part or all of your distribution and/or accumulate part or all of the Fund’s income in the Fund, in which case the income of the Fund that is attributed to you (and which must be included in your income tax return) will be more than the total distribution you receive.

Investors will be assessed for tax on the net income and net capital gains generated by the Fund that is attributed to them under the AMIT rules. Investors will receive a tax statement after the end of each financial year (referred to as an AMIT Member Annual Statement) that will provide them with details of the amounts that have been attributed to them by the Fund to assist them in the preparation of their tax return.

If the Fund was to incur a tax loss for a year then the Fund could not attribute that loss to investors. However, subject to the Fund meeting certain conditions, the Fund may be able to recoup such a loss against taxable income of the Fund in subsequent income years.

Depending on an investor’s particular circumstances, they may also be liable to pay capital gains tax (or income tax if they hold their units on revenue account) when they withdraw units.

### Taxation of non-resident investors

If a non-resident investor is entitled to taxable income of the Fund, the investor may be subject to Australian tax at the rates applicable to non-residents. If you are a non-resident, you may be entitled to a credit for Australian income tax paid by the Responsible Entity in respect of your tax liability.

### Taxation reforms

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

### Quoting your Tax File Number (“TFN”) or an Australian Business Number (“ABN”)

It is not compulsory for investors to quote their TFN, ABN, or exemption details. Should an investor choose to, the TFN/ABN must be provided to the Unit Registry by the Record Date. However, should an investor choose not to provide TFN/ABN details or provide after this date, the Responsible Entity is required to deduct tax from an investor’s distributions. The withholding tax amount is calculated on the amount attributed to you. Collection of TFNs is permitted by taxation and privacy legislation.

### GST

Your investment in the Fund will not be subject to goods and services tax.

### Foreign Account Tax Compliance Act

Under the Foreign Account Tax Compliance Act (“FATCA”), the Responsible Entity is required to collect and report information about certain investors identified as U.S. tax residents or citizens. In order to comply with its FACTA obligations, the Responsible Entity may request investors to provide certain information (“FATCA Information”).

To the extent that all FATCA Information is obtained, the imposition of US withholding tax on payments of US income or gross proceeds from the sale of particular US securities shall not apply. Although the Responsible Entity attempts to take all reasonable steps to comply with its FATCA obligations and to avoid the imposition of the withholding tax, this outcome is not guaranteed.

Under the terms of the intergovernmental agreement between the US and Australian governments, the Responsible Entity may provide FATCA Information to the Australian Taxation Office (“ATO”). Please be aware that the Responsible Entity may use an investor’s personal information to comply with FATCA and may contact an investor if additional information is required.

### **Common Reporting Standard**

The Common Reporting Standard (“CRS”) requires the Responsible Entity to collect certain information about an investor’s tax residence. If an investor is a tax resident of any country outside Australia, the Responsible Entity may be required to pass certain information about the investor (including account-related information) to the ATO. The ATO may then exchange this information with the tax authorities of another jurisdiction or jurisdictions, pursuant to intergovernmental agreements to exchange financial account information.

Although the CRS does not involve any withholding tax obligations, please be aware that the Responsible Entity may use an investor’s personal information to comply with the CRS obligations, and may contact an investor if additional information is required. For investors who apply for Units directly with the Responsible Entity, the account opening process cannot be completed until all requested information has been provided.

## **12. Additional information**

### **Additional disclosure information**

The Fund is subject to regular reporting and continuous disclosure obligations. Copies of documents lodged with ASIC may be obtained from, or inspected at, an ASIC office. Investors can also call the Responsible Entity to obtain copies of the following documents, free of charge:

- The Fund’s annual financial report most recently lodged with ASIC;
- Any half year financial report lodged with ASIC; and
- Any continuous disclosure notices the Responsible Entity places online at [www.airlifundmanagement.com.au](http://www.airlifundmanagement.com.au) or lodged with the Securities Exchange Operator and ASIC.

### **Fund’s Constitution**

The operation of the Fund is governed under the law and the Constitution of the Fund which addresses matters such as NAV per Unit, withdrawals, the issue and transfer of units, investor meetings, investors’ rights, the Responsible Entity’s powers to invest, borrow and generally manage the Fund and the Responsible Entity’s fee entitlement and right to be indemnified from the Fund’s assets. In accordance with the Constitution, the Responsible Entity may provide investors with the ability to request a withdrawal of their investment in the Fund directly with the Responsible Entity.

The Constitution states that an investor’s liability is limited to the amount the investor paid for their units, but the courts are yet to determine the effectiveness of provisions of this kind.

The Responsible Entity may alter the Constitution if it reasonably considers the amendments will not adversely affect investors’ rights. Otherwise, the Responsible Entity must obtain investors’ approval at a meeting of investors. The Responsible Entity may retire or be required to retire as Responsible Entity (if investors vote for its removal). No units may be issued after the 80th anniversary of the date of the Constitution. The Responsible Entity may exercise its right to terminate the Fund earlier. Investors’ rights to requisition, attend and vote at meetings are mainly contained in the Corporations Act.

Investors can inspect a copy of the Constitution at the Responsible Entity’s head office or the Responsible Entity will provide a copy free of charge.

### **ASX waiver**

A waiver from ASX Operating Rule 10A.10.8 has been obtained to permit the Responsible Entity to appoint BNP Paribas Securities (Asia) Limited as its market making agent under the ASX Operating Rules.

### **Conditions of admission**

As part of the Fund’s conditions of admission to quotation on the Securities Exchange under the Securities Exchange Rules, the Responsible Entity has agreed to:

- a) disclose the Fund’s portfolio holdings on a quarterly basis within two months of the end of each calendar quarter;
- b) provide liquidity to investors on the Securities Exchange by acting as a buyer and seller of units as described in this PDS; and
- c) provide the iNAV as described in this PDS.

### **NAV Permitted Discretions Policy**

The Responsible Entity’s NAV Permitted Discretions Policy provides further information about how it calculates NAV per Unit. The policy complies with ASIC requirements. The Responsible Entity will observe this policy in relation to the calculation of the NAV per Unit and will record any exercise of discretion outside the scope of the policy. Investors can request a copy of the policy free of charge by calling the Responsible Entity on +61 2 9235 4888.

### **Change of details**

From time to time, you may need to advise us of changes relating to your investment. You may advise us by email, fax or mail of changes relating to:

- your mailing address (investors with SRN holdings only, investors with HIN holdings can only change their address via their stockbroker);
- your licensed financial adviser, if you have nominated one; or

- your election to receive distributions as cash or to reinvest them.

If you need to advise us of changes relating to your nominated bank account (to which we will pay the proceeds of withdrawals and distributions, if you have elected to receive these as cash), we require you to instruct us via mail.

We require your instructions to be signed by the nominated signatory on your account. If you have nominated joint signatories for the account, both should sign notifications of changes in any of your details.

### Cooling-off period

Cooling-off rights do not apply to units in the Fund (regardless of whether they were bought on the Securities Exchange or applied for directly with the Responsible Entity) however a complaints handling process has been established (see “Complaints resolution” for further information).

### Complaints resolution

Should investors have any concerns or complaints, as a first step please contact the Responsible Entity’s Complaints Officer on +61 2 9235 4888 and the Responsible Entity will do its best to resolve this concern quickly and fairly. If an issue has not been resolved to your satisfaction, you can lodge a complaint with the Australian Financial Complaints Authority (“**AFCA**”). AFCA provides fair and independent financial services complaint resolution that is free to consumers.

Website: [www.afca.org.au](http://www.afca.org.au)

Email: [info@afca.org.au](mailto:info@afca.org.au)

Telephone: 1800 931 678

In writing to: Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001

### Past performance

Performance history and Fund size information can be obtained by visiting the Fund’s website [www.airlifundmanagement.com.au](http://www.airlifundmanagement.com.au), or view the Fund updates and other announcements on the Securities Exchange at [www.asx.com.au](http://www.asx.com.au). The Fund’s past performance is no indication of its future performance. The Fund’s returns are not guaranteed.

### Custodian

The Northern Trust Company (acting through its Australian branch) (“**Northern Trust**”) has been appointed to hold the assets of the Fund under a Custody Agreement. As Custodian, Northern Trust will safe-keep the assets of the Fund, collect the income of the Fund’s assets and act on the Responsible Entity’s directions to settle the Fund’s trades. Northern Trust does not make investment decisions in respect of the Fund’s assets that it holds.

### Unit Registry

Apex Fund Services Pty Ltd (“**Apex**”) has been appointed as the Unit Registry of the Fund under a Registry Services Agreement. The Registry Services Agreement sets out the services provided by the Unit Registry on an ongoing basis together with the service standards.

The role of the Unit Registry is to keep a record of investors in the Fund. This includes information such as the quantity of units held, TFNs (if provided), bank account details and details of distribution reinvestment plan participation to the extent the Responsible Entity offers such a plan.

Contact details for Apex can be found in Section 14 of this PDS.

### Consents

The following parties have given written consent (which has not been withdrawn at the date of this PDS) to being named in the form and context in which they are named, in this PDS:

- Apex Fund Services Pty Ltd; and
- The Northern Trust Company.

Each party named above who has consented to be named in the PDS:

- has not authorised or caused the issue of this PDS;
- does not make or purport to make any statement in the PDS (or any statement on which a statement in the PDS is based) other than as specified; and

to the maximum extent permitted by law, takes no responsibility for any part of the PDS other than the reference to their name in a statement included in the PDS with their consent as specified.

### Anti-money laundering and counter terrorism financing (AML/CTF)

Australia’s AML/CTF laws require us to adopt and maintain an AML/CTF Program. A fundamental part of the AML/CTF Program is that we know certain information about investors in the Fund. To meet this legal requirement, we need to collect certain identification information and documentation (“**KYC Documents**”) from you if you are a new investor. We may also ask an existing investor to provide KYC Documents as part of a re-identification process to comply with the AML/CTF laws. Processing of applications or withdrawals will be delayed or refused if you do not provide the KYC Documents when requested.

Under the AML/CTF laws, we may be required to submit reports to the Australian Transaction Reports and Analysis Centre (“**AUSTRAC**”). This may include the disclosure of your personal information. We may not be able to tell you when this occurs and, as a result, AUSTRAC may require us to deny you (on a temporary or permanent basis) access to your investment.

This could result in loss of the capital invested, or you may experience significant delays when you wish to transact on your investment. We are not liable for any loss you may suffer because of compliance with the AML/CTF laws.

## Privacy policy

As required by law, the Responsible Entity has adopted a privacy policy that governs the collection, storage, use and disclosure of personal information. This includes using an investor's personal information to manage their investment, process any distributions that may be payable and comply with relevant laws.

For example, an investor's personal information may be used to:

- ensure compliance with all applicable regulatory or legal requirements. This includes the requirements of ASIC, the Australian Taxation Office, the Australian Transaction Reports and Analysis Centre, Securities Exchange Operator, CHESS Settlements and other regulatory bodies or relevant exchanges including the requirements of the superannuation law; and
- ensure compliance with the AML/CTF Act, FATCA and with CRS.

The Responsible Entity may be required to disclose some or all of an investor's personal information, for certain purposes (as described under the Privacy Act 1988 (Cth)) to:

- the Fund's service providers, related bodies corporate or other third parties for the purpose of account maintenance and administration and the production and mailing of statements, such as the Unit Registry, Custodian or auditor of the Fund and certain software providers related to the operational management and settlement of the units; or
- related bodies corporate that might not be governed by Australian laws for the purpose of account maintenance and administration.

The Responsible Entity may also disclose an investor's personal information to:

- market products and services to them; and
- improve customer service by providing their personal details to other external service providers (including companies conducting market research).

If any of the disclosures in the previous bullet points require transfer of an investor's personal information outside of Australia, the investor consents to such transfer.

All personal information collected by the Responsible Entity will be collected, used, disclosed and stored by the Responsible Entity in accordance with its privacy policy, a copy of which will be made available on request.

### Additional information for New Zealand investors

This offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 (Aust) and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

This offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 (Aust) and the regulations made under that Act sets out how the offer must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand ([www.fma.govt.nz](http://www.fma.govt.nz)). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of a financial advice provider.

The offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between the currency for the financial products and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

The dispute resolution process described in this offer document is available only in Australia and is not available in New Zealand.

## Direct Debit Request Service Agreement

This information applies only if you have indicated that you wish for your initial amount to be paid by direct debit. Please ensure you have provided the details of your financial institution and completed the direct debit request in the relevant sections of the Application Form.

The following is your Direct Debit Service Agreement (“**Agreement**”) with Apex Fund Services Pty Ltd ABN 81 118 902 891 (“**Apex Fund Services**”), who acts as the Unit Registry of the Fund. The Agreement is designed to explain what your obligations are when undertaking a Direct Debit arrangement with Apex Fund Services. It also details what Apex Fund Services’ obligations are to you as your Direct Debit Provider. We recommend you keep this information in a safe place for future reference. It forms part of the terms and conditions of your Direct Debit Request in the relevant sections of the Application Form.

### Definitions:

**Account** means the account held at your financial institution from which we are authorised to arrange for funds to be debited

**Agreement** means the Direct Debit Request Service Agreement between you and us

**Banking Day** means a day other than a Saturday or a Sunday or a public holiday listed throughout Australia

**Debit Day** means the day that payment by you to us is due

**Direct Payment** means a particular transaction where a debit is made

**Direct Debit Request** means the direct debit request in the Application Form

**Us or We** means Apex Fund Services, (the “Debit User”) you have authorised by signing a Direct Debit Request

**You** means the customer who has signed or authorised by other means the Direct Debit Request

**Your financial institution** means the financial institution nominated by you on the Direct Debit Request at which the account is maintained.

### 1. Debiting your Account

- 1.1 By signing a direct debit request or by providing us with a valid instruction, you have authorised us to arrange for funds to be debited from your account. You should refer to the direct debit request and this agreement for the terms of the arrangement between us and you.
- 1.2 We will only arrange for funds to be debited from your account as authorised in the direct debit request, or

We will only arrange for funds to be debited from your account if we have sent to the address nominated by you in the direct debit request, a billing advice which specifies the amount payable by you to us and when it is due.

- 1.3 If the debit day falls on a day that is not a banking day, we may direct your financial institution to debit your account on the following banking day. If you are unsure about which day your account has or will be debited you should ask your financial institution.

### 2. Amendments by Us

- 2.1 We may vary any details of this agreement or a direct debit request at any time by giving you at least fourteen (14) days written notice.

### 3. Amendments by You

- 3.1 You may change, stop or defer a debit payment, or terminate this agreement by providing us with at least fourteen (14) days notification by writing to:

**Unit Registry  
Apex Fund Services Pty Ltd  
GPO BOX 143  
Sydney NSW 2001**

or

by telephoning us on 1300 127 780 or +61 2 8259 8566 (international) or 0800 787 621 (NZ) during business hours;

or

arranging it through your own financial institution.

### 4. Your Obligations

- 4.1 It is your responsibility to ensure that there are sufficient clear funds available in your account to allow a debit payment to be made in accordance with the direct debit request.
- 4.2 If there are insufficient clear funds in your account to meet a debit payment:
  - a) you may be charged a fee and/or interest by your financial institution;
  - b) you may also incur fees or charges imposed or incurred by us; and
  - c) you must arrange for the debit payment to be made by another method or arrange for sufficient clear funds to be in your account by an agreed time so that we can process the debit payment.
- 4.3 You should check your account statement to verify that the amounts debited from your account are correct.
- 4.4 If we are liable to pay goods and services tax (“GST”) on a supply made in connection with this agreement, then you agree to pay us on demand an amount equal to the consideration payable for the supply multiplied by the prevailing GST rate.

## **5. Dispute**

- 5.1 If you believe that there has been an error in debiting your account, you should notify us directly on 1300 127 780 and confirm that notice in writing with us as soon as possible so that we can resolve your query more quickly. Alternatively, you can take it up with your financial institution directly.
- 5.2 If we conclude as a result of our investigations that your account has been incorrectly debited we will respond to your query by arranging for your financial institution to adjust your account (including interest and charges) accordingly. We will also notify you in writing of the amount by which your account has been adjusted.
- 5.3 If we conclude as a result of our investigations that your account has not been incorrectly debited we will respond to your query by providing you with reasons and any evidence for this finding in writing.

## **6. Accounts**

- 6.1 You should check:
  - a) With your financial institution whether direct debiting is available from your account as direct debiting is not available on all accounts offered by financial institutions; and
  - b) Your account details which you have provided to us are correct by checking them against a recent account statement; and
  - c) With your financial institution before completing the direct debit request if you have any queries about how to complete the direct debit request.

## **7. Confidentiality**

- 7.1 We will keep any information (including your account details) in your direct debit request confidential. We will make reasonable efforts to keep any such information that we have about you secure and to ensure that any of our employees or agents who have access to information about you do not make any unauthorised use, modification, reproduction or disclosure of that information.
- 7.2 We will only disclose information that we have about you:
  - a) To the extent specifically required by law; or
  - b) For the purposes of this agreement (including disclosing information in connection with any query or claim).

## **8. Notice**

- 8.1 If you wish to notify us in writing about anything relating to this agreement, you should write to:

**Apex Fund Services Pty Ltd**  
**GPO Box 143**  
**Sydney NSW 2001**

- 8.2 We will notify you by sending a notice in the ordinary post to the address you have given us in the Direct Debit Request.
- 8.3 Any notice will be deemed to have been received on the third banking day after posting.

## 13. Glossary

Defined terms and other terms used in the PDS	Definition
<b>\$, A\$ or dollar</b>	The lawful currency of Australia.
<b>AFCA</b>	Australian Financial Complaints Authority.
<b>AFS Licence</b>	Australian financial services licence.
<b>AMIT</b>	Attribution Managed Investment Trust.
<b>AML/CTF Act</b>	The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth).
<b>ASIC</b>	Australian Securities & Investments Commission.
<b>ASIC Relief</b>	Any declaration made or exemption granted by ASIC that is applicable to the Fund and that is in force.
<b>ASX</b>	ASX Limited or the Australian Securities Exchange, as the case requires.
<b>ATO</b>	Australian Taxation Office.
<b>Business Day(s)</b>	The days identified by the Securities Exchange Operator in the Securities Exchange Rules. For the purposes of calculating Fees and Costs only, Business Day includes a day on which the primary securities exchange for any security that forms part of the Fund's property is open for trading.
<b>CHESS</b>	Clearing House Electronic Sub-register System, the Australian settlement system for equities and other issued products traded on the ASX and other exchanges. CHESS is owned by the ASX.
<b>Clearing Rules</b>	The operating rules of ASX Clear Pty Limited from time to time.
<b>Compliance Plan</b>	The Compliance Plan of the Fund.
<b>Constitution</b>	The Constitution of the Fund.
<b>Corporations Act</b>	Corporations Act 2001 (Cth).
<b>CRS</b>	Common Reporting Standard.
<b>Custodian</b>	Northern Trust.
<b>Custody Agreement</b>	The custody agreement in respect of the assets of the Fund between the Custodian and the Responsible Entity.
<b>EFT</b>	Electronic Funds Transfer.
<b>FATCA</b>	Foreign Account Tax Compliance Act.
<b>Fees and Costs</b>	The fees and costs of the Fund as described in Section 9 of this PDS.
<b>GST</b>	Goods and Services Tax.
<b>HIN</b>	Holder Identification Number.
<b>IDPS</b>	Investor Directed Portfolio Service.
<b>iNAV</b>	Indicative NAV per unit.
<b>Investment Manager</b>	Magellan Asset Management Limited trading as Airlie Funds Management ABN 31 120 593 946; AFS Licence No. 304 301
<b>Listing Rules</b>	The listing rules of the ASX from time to time.
<b>NAV</b>	Net asset value.
<b>NAV Permitted Discretions Policy</b>	The Responsible Entity's policy detailing the discretions exercised in the calculation of NAV per Unit.
<b>NAV per Unit</b>	The NAV per Unit is calculated by dividing the NAV of the Fund by the number of units on issue.
<b>Northern Trust</b>	The Northern Trust Company (acting through its Australian branch).
<b>PDS</b>	This product disclosure statement as amended or supplemented from time to time.
<b>Record Date</b>	The date used in determining who is entitled to a distribution. Those investors on the register on the Record Date are eligible for the distribution.

<b>Registry Services Agreement</b>	The registry services agreement in respect of the Fund between the Responsible Entity and the Unit Registry.
<b>Responsible Entity</b>	Magellan Asset Management Limited trading as Airlie Funds Management ABN 31 120 593 946; AFS Licence No. 304 301.
<b>Settlement Rules</b>	The operating rules of ASX Settlement Pty Limited (ABN 49 008 504 532) from time to time.
<b>Securities Exchange</b>	The Australian securities exchange operated by ASX.
<b>Securities Exchange Operator</b>	ASX.
<b>Securities Exchange Rules</b>	The operating rules of the Securities Exchange Operator that apply from time to time to the quotation of managed funds and products such as the units.
<b>SRN</b>	Securityholder Reference Number.
<b>Trading Day</b>	The day and time during which shares are traded on the Securities Exchange.
<b>Unit Registry</b>	Apex Fund Services operates the registry for the Fund.

## 14. Contact details

### Responsible Entity and Investment Manager

Magellan Asset Management Limited  
Level 36, 25 Martin Place,  
Sydney NSW 2000  
T +61 2 9235 4888  
E [info@magellangroup.com.au](mailto:info@magellangroup.com.au)  
W [www.magellangroup.com.au](http://www.magellangroup.com.au)

### Unit Registry

Apex Fund Services  
GPO Box 143  
Sydney NSW 2001  
T 1300 127 780 (or +61 2 8259 8566) or 0800 787 621 (NZ)  
F +61 2 9247 2822  
E [magellanfunds@apexgroup.com](mailto:magellanfunds@apexgroup.com)

### Custodian

The Northern Trust Company  
Level 12, 120 Collins Street,  
Melbourne Victoria 3000  
T +61 3 9947 9300