

## Armytage Reference Guide

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### *About this Reference Guide*

This Reference Guide has been prepared and issued by EQT. The information in this document forms part of Product Disclosure Statements (PDS) for the:

- Armytage Asian Fund – Infrastructure and Real Estate;
- Armytage Strategic Opportunities Fund; and
- Armytage Australian Equity Income Fund.

The relevant PDS and this Reference Guide are available on [www.armytage.com.au](http://www.armytage.com.au) and [www.eqt.com.au/insto](http://www.eqt.com.au/insto) or you can request a copy by calling Armytage on 03 9639 8709.

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## 1. Investing in an Armytage Fund

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### *Application cut-off times*

If we receive correctly completed application forms, identification documents (if applicable) and cleared application money:

- before or on 2pm on a Business Day, the application will be processed on that Business Day. This means you will receive the application price calculated for that Business Day, and
- after 2pm on a Business Day, the application will be processed on the next Business Day. This means you will receive the application price calculated for that next Business Day.

We will only start processing an application if:

- we consider that you have correctly completed the application form
- you have provided us with the relevant identification documents, and
- we have received the application money (in cleared funds) stated in your application form. The time it takes for application money to clear varies depending on how you transfer the money and your bank (it may take up to four Business Days).

We reserve the right to accept or reject applications in whole or in part at our discretion and delay processing of applications where we believe this to be in the best interest of all the Fund's investors, without giving any reason.

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### *Cooling-off rights*

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

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

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

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

Indirect Investors should seek advice from their IDPS operator as to whether cooling off rights apply to an investment in a fund by the IDPS. The right to cool off in relation to a fund are not directly available to an Indirect Investor. This is because an Indirect Investor does not acquire the rights of a unit holder in a fund. Rather, an Indirect Investor directs the IDPS operator to arrange for their monies to be invested in a fund on their behalf. The terms and conditions of the IDPS guide or similar type document will govern an Indirect Investor's investment in relation to a fund and any rights an Indirect Investor may have in this regard.

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## 2. Managing your investment

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### *Authorised signatories*

You can appoint a person, partnership or company as your authorised signatory. To do so, please nominate them on the initial application form and have them sign the relevant sections. If a company is appointed, the powers extend to any director and officer of the company. If a partnership is appointed, the powers extend to all partners. Such appointments will only be cancelled or changed once we receive written instructions from you to do so.

Once appointed, your authorised signatory has full access to operate your investment account for and on your behalf. This includes the following:

- making additional investments
- requesting income distribution instructions to be changed
- redeeming all or part of your investment
- changing bank account details
- enquiring and obtaining copies of the status of your investment, and
- having online account access to your investment.

If you do appoint an authorised signatory:

- you are bound by their acts
  - you release, discharge and indemnify us from and against any losses, liabilities, actions, proceedings, account claims and demands arising from instructions received from your authorised representatives, and
  - you agree that any instructions received from your authorised representative shall be complete satisfaction of our obligations, even if the instructions were made without your knowledge or authority.
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### *Reports*

We will make the following statements available to all unit holders;

- A transaction confirmation statement, showing a change in your unit holding (provided when a transaction occurs or on request).
  - The relevant fund's half-yearly financial account (if applicable).
  - The relevant fund's annual audited accounts for each period ended 30 June and
  - Annual distribution, tax and confirmation of holdings statements for each period ended 30 June.
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## 3. Redeeming your investment

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### *Redemption cut-off times*

All withdrawal requests received by 2pm on a Business Day for processing that day. Any withdrawal request received after that time will be treated as having been received the following Business Day.

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### *Redemption terms*

When you are redeeming, you should take note of the following:

- We are not responsible or liable if you do not receive, or are late in receiving, any redemption money that is paid according to your instructions.
  - We may contact you to check your details before processing your redemption form. This may cause a delay in finalising payment of your redemption money. No interest is payable for any delay in finalising payment of your redemption money.
  - If we cannot satisfactorily identify you as the redeeming investor, we may refuse or reject your redemption request or payment of your redemption proceeds will be delayed. We are not responsible for any loss you consequently suffer.
  - As an investor who is redeeming, you agree that any payment made according to instructions received by post or courier, email or fax, shall be a complete satisfaction of our obligations, despite any fact or circumstances such as the payment being made without your knowledge or authority.
  - You agree that if the payment is made according to these terms, you and any person claiming
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through or under you, shall have no claim against us about the payment.

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*Redemption restrictions*

Under Australian securities law (the Corporations Act), you do not have a right to redeem from a fund if the fund is illiquid. In such circumstances you can only redeem where EQT makes a redemption offer in accordance with the Corporations Act. EQT is not obliged to make such offers.

A fund will be liquid if at least 80% of its assets are liquid assets (generally cash and marketable securities). In addition, if EQT is unable to repatriate funds to meet redemption payments, it may suspend the calculation of the NAV and withhold redemption proceeds.

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## 4. Performance fee

**Important note: The PDS for each Armytage fund explains whether a performance fee is applicable to that fund. Not all funds charge a performance fee.**

*How the performance fee is calculated*

The Investment Manager may be entitled to receive a performance fee expense of 10.25% (including GST after allowing for an estimate for RITCs) of the investment performance of the Fund above the Performance Hurdle for the 12 month period ending on each 30 June ("Performance Fee Expense Period"), subject to the Fund recovering any previous under-performance.

The Performance Hurdle for the particular fund is described in the PDS.

The amount of the performance fee expense payable is determined in relation to each class of unit by calculating the performance fee expense amount for each accrual interval in accordance with the following formula:

$$10\% \times [A - B - (B \times 10\% \times C / 365) + D / E] \times E$$

where:

- A is the Adjusted Withdrawal Price of a unit in the relevant class at the end of the accrual interval;
- B is the Adjusted Withdrawal Price of a unit in the relevant class at the end of the previous accrual interval;
- C is the number of days in the accrual interval;
- D is the aggregate amount (if any) entered during the accrual interval in any Distribution account for Distributions to investors of the relevant class other than due to the redemption of units in that class and which is excluded from the determination of the value of the assets of that class at the end of the accrual interval for the purposes of determining withdrawal prices of a unit in the relevant class at that time; and
- E is the number of units on issue in the relevant class at the end of the accrual interval.

An accrual interval will generally be the period of time between one unit price calculation and the next. As at the date of this PDS, the Distribution frequency of the Fund is semi-annually at, 30 June and 31 December. The performance fee expense amount is increased to include GST net of an allowance for estimated RITCs.

The performance fee expense amounts for each accrual interval are aggregated and added to any negative amount carried forward from the previous Performance Fee Expense Period to determine whether any performance fee expense is included in the unit price. Where the aggregate amount for each accrual interval plus any negative amount carried forward is positive, this amount is reflected in the daily unit price as an expense provision. Where the aggregate amount for each accrual interval plus any negative amount carried forward is negative, no performance fee expense will be reflected in the daily unit price.

If the total of the performance fee expense amounts calculated each accrual interval and any negative amount carried forward from the previous Performance Fee Expense Period is positive at the end of a Performance Fee Expense Period, this total is the amount of the performance fee expense and is payable at the end of the Performance Fee Expense Period.

If the total of the performance fee expense amounts calculated each accrual interval and any negative amount carried forward from the previous Performance Fee Expense Period is negative at the end of a Performance Fee Expense Period, this total is carried forward to the next Performance Fee Expense Period and no performance fee expense is paid for the Performance Fee Expense Period.

EQT does not consider there is any reasonable basis on which it may estimate performance fee expenses for the Fund. To estimate performance fee expenses would involve speculation about the return of the Fund against the Performance Hurdle. EQT therefore considers that to estimate performance fee expenses may potentially be misleading.

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*Example of how the performance fee may affect your investment*

The following is an example of the performance fee expense for a Performance Fee Expense Period for an Armytage Fund:

Assumptions:

- on 30 June in the previous Performance Fee Expense Period, the Adjusted withdrawal Price for units in the Fund was \$1.00;
- there are 20 million units on issue in the Fund throughout the Performance Fee Expense Period;
- a Distribution was paid in early July of \$400,000 (\$0.02 per unit); and
- on 30 June in the Performance Fee Expense Period, the Adjusted Withdrawal Price for units in the Fund was \$1.18.

On the basis of the above assumptions, the performance fee expense would be \$200,000 for the Performance Fee Expense Period. If you had an investment in a Fund of \$50,000 at the end of the Performance Fee Expense Period, your investment would bear a notional amount of the performance fee expense of approximately \$500 for the Performance Fee Expense Period. This example takes into account the fees payable to the Responsible Entity as well as the Estimated Expense Recovery fees as they have been accrued daily in the withdrawal price.

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## 5. Enquiries and complaints

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*Keeping in touch*

If have an enquiry regarding the management of the fund that you have invested in, please contact:

Armytage Asset Management  
Level 16  
90 Collins Street, Melbourne  
Victoria, 3000

Phone: 03 9639 8709

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*Making a formal complaint*

If you are not completely satisfied with any aspect of our services please contact EQT. EQT seeks to resolve potential and actual complaints over the management of the Fund to the satisfaction of investors. If an investor wishes to lodge a formal complaint please write to:

Compliance Team  
Equity Trustees Limited  
GPO Box 2307  
Melbourne Vic 3001

Email [compliance@eqt.com.au](mailto:compliance@eqt.com.au)

EQT will seek to resolve any complaint and will respond as soon as possible and in any case will respond within 14 days of receiving the letter. We will seek to resolve your complaint as soon as practicable but not longer than 45 days after receiving the complaint.

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*The Financial Ombudsman Service (FOS)*

If we are unable to resolve your complaint, you may be able to seek assistance from FOS.

Financial Ombudsman Services  
GPO Box 3  
Melbourne Vic 3001

Telephone 1300 780 808

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

Please include the EQT FOS membership number with your enquiry: 10395.

FOS is an independent body that can assist you if EQT cannot. FOS may not consider a dispute where the value of a person's claim exceeds \$500,000. For claims lodged from 1 January 2012 FOS is only able to make a determination of up to \$280,000 per managed investment claim (excluding compensation for costs and interest payments). If you are investing through an IDPS, then enquiries and complaints should be directed to the IDPS Operator, not EQT.

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## 6. Other important information

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*Your privacy*

When you provide instructions to EQT or its delegates, EQT and its delegates will be collecting personal information about you. This information is needed to facilitate, administer and manage your investment, and to comply with Australian taxation laws and other laws and regulations. Otherwise, your application may not be processed or EQT and its delegates will not be able to administer or manage your investment.

The information that you provide may be disclosed to certain organisations situated in Australia or offshore, including:

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- the ATO, AUSTRAC and other government or regulatory bodies
- your financial adviser or adviser dealer group, their service providers and any joint holder of an investment
- organisations involved in providing, administering or managing the Fund, the administrator, custodian, auditors, or those that provide mailing or printing services, and
- those where you have consented to the disclosure or as required by law.

Subject to some exceptions allowed by law, you can ask for access to your personal information. We will give you reasons if we deny you access to this information. EQT's privacy statement is available on ([www.eqt.com.au](http://www.eqt.com.au)) and can be obtained by contacting EQT's Privacy Officer on (03) 8623 5000.

#### *The Constitution*

Each Fund is governed by a constitution ("Constitution") that sets out how the Fund must operate, and together with the PDS, the Corporations Act and other laws, regulates the responsible entity's legal relationship with investors. If you invest in the Fund, you agree to be bound by the terms of the PDS and the Constitution. You can request a copy of the Constitution, free of charge. Please consider these documents before investing in the Fund.

We may amend a Constitution from time to time in accordance with the provisions in a Constitution and the Corporations Act.

#### *Anti-Money Laundering and Counter Terrorism Financing (AML/CTF)*

Australia's AML/CTF laws require EQT to adopt and maintain an Anti-Money Laundering and Counter Terrorism Financing Program. A fundamental part of the AML/CTF programme is that EQT knows certain information about investors in the funds.

To meet this legal requirement, we need to collect certain identification information and documentation (KYC Documents) from new investors. Existing investors may also be asked to provide KYC Documents as part of a re-identification process to comply with the AML/CTF laws. Processing of applications or redemptions will be delayed or refused if investors do not provide the KYC Documents when requested.

Under the AML/CTF laws, EQT may be required to submit reports to AUSTRAC. This may include the disclosure of your personal information. EQT may not be able to tell you when this occurs and, as a result, AUSTRAC may require EQT 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.

Neither EQT or Armytage are liable for any loss you may suffer because of compliance with the AML/CTF laws.

#### *Indirect Investors*

You may be able to invest indirectly in a fund via a master trust or wrap account (commonly known as an IDPS) by directing the IDPS operator to acquire units on your behalf. If you do so, you will need to complete the relevant forms provided by the IDPS operator. The Responsible Entity is not responsible for the operation of any IDPS. This will mean that you are an indirect investor in a fund and not a unitholder or member of a fund. Indirect investors do not acquire the rights of a unitholder as such rights are acquired by the IDPS operator who then can exercise, or decline to exercise, these rights on your behalf.

Indirect investors do not receive reports or statements from us and the IDPS operator's redemption conditions determine when you can redeem. Your rights as an indirect investor should be set out in the disclosure document issued by the IDPS operator.

## 7. Glossary

#### *Business Day*

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

#### *IDPS*

Investor-directed portfolio service. An IDPS is generally the vehicle through which an investor purchases a range of underlying investment options from numerous investment managers.

#### *IDPS Operator*

The entity responsible for managing an IDPS.

#### *Indirect Investors*

Individuals who invest in a fund through an IDPS.

#### *Retail Client*

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

#### *RITC*

Reduced input tax credit

#### *We, us*

Refers to EQT and / or Armytage.