

# Bendigo Managed Wholesale Funds

Supplementary Product Disclosure Statement

Dated 9 March 2009

The Responsible Entity and Issuer of the Bendigo Managed Wholesale Funds is Sandhurst Trustees Limited ABN 16 004 030 737 AFSL 237906 a subsidiary of Bendigo and Adelaide Bank Limited ABN 11 068 049 178 AFSL 237879

## Important Information

This is a Supplementary Product Disclosure Statement ('Supplementary PDS') for the Bendigo Managed Wholesale Funds Product Disclosure Statement dated 1 July 2006 ('PDS'). This Supplementary PDS is issued by Sandhurst Trustees Limited, the Responsible Entity of the Bendigo Managed Wholesale Funds. All other information and statements in the PDS remain unchanged. Terms defined in the PDS have the same meaning in this Supplementary PDS. This Supplementary PDS must be read together with the PDS, available from our website [www.sandhursttrustees.com.au](http://www.sandhursttrustees.com.au) or by calling our customer service centre on 1800 634 969.

By this Supplementary PDS the PDS is amended effective from 9 March 2009 as follows:

### 1. Privacy

*The following replaces the second paragraph under the 'Privacy' section of the PDS on page 30.*

Collection of some of this information is required under the Corporations Act and the Anti-Money Laundering and Counter-Terrorism Financing Act 2006. We may also be required to disclose information by law and to report on prudential or risk management matters.

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

*The following is to be included under a new section titled 'Anti Money Laundering and Counter Terrorism Financing (AML/CTF)' directly below the seventh paragraph of the 'Privacy' section on page 30 of the PDS.*

To comply with AML/CTF Law we will need to obtain information to establish your identity (and the identity of other persons associated with your account). We may also do the following:

- a) require you to provide to us or otherwise obtain, any additional information or documentation;
- b) suspend, block or delay transactions on your account or refuse to make a payment or provide services to you. We will incur no liability to you if we do so;
- c) report any actual, or any proposed transaction or activity to any body authorised to accept such reports relating to AML/CTF or any other law.

AML/CTF Law is the Anti-Money Laundering and Counter Terrorism Financing Act 2006 (Cth), and all subordinate legislation in respect of that Act as may apply from time to time.

Forms are available on our website [www.sandhursttrustees.com.au/forms](http://www.sandhursttrustees.com.au/forms) to assist you in providing the required identification information or you can contact us on 1800 634 969.

### Contact us

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**Important Notice for potential investors in the following funds:**

- **Bendigo Conservative Wholesale Fund**
- **Bendigo Balanced Wholesale Fund**
- **Bendigo Growth Wholesale Fund**  
(formerly named the **Bendigo Future Growth Wholesale Fund**)

Please be aware that investments for the above funds will no longer be accepted through this Product Disclosure Statement.

A new Product Disclosure Statement has been issued for each of these funds available at [www.sandhursttrustees.com.au/pds/diversified](http://www.sandhursttrustees.com.au/pds/diversified) or by calling us on 1800 634 969.

This Product Disclosure Statement should only be used for the purpose of investments in the Sandhurst IML Industrial Share Fund.

# Bendigo Managed Wholesale Funds

Product Disclosure Statement

Dated 1 July 2006

Issued by **Sandhurst Trustees**  
SUBSIDIARY OF BENDIGO BANK

The Responsible Entity and issuer of the Bendigo Managed Wholesale Funds is Sandhurst Trustees Limited, ABN 16 004 030 737 AFSL 237906, a subsidiary of Bendigo Bank Limited, ABN 11 068 049 178 AFSL 237879.  
[www.sandhursttrustees.com.au](http://www.sandhursttrustees.com.au)

### Before you start

Sandhurst Trustees Limited, ABN 16 004 030 737 AFSL 237906, is the issuer of units in the Funds offered in this Product Disclosure Statement (“PDS”). References to “Sandhurst Trustees”, “our”, “us” or “we” throughout this PDS are references to Sandhurst Trustees Limited in its capacity as the Responsible Entity of the Funds. References to “you” or “your” throughout this PDS means an investor or potential investor of the Funds.

The Funds offered in this PDS are referred to collectively as the “Bendigo Managed Wholesale Funds”, “the Funds” or individually as “the Fund” and are listed below:

- **Bendigo Conservative Wholesale Fund**  
ARSN 100 445 609 APIR STL0012AU
- **Bendigo Balanced Wholesale Fund**  
ARSN 100 445 341 APIR STL0013AU
- **Bendigo Future Growth Wholesale Fund**  
ARSN 100 445 476 APIR STL0014AU
- **Sandhurst IML Industrial Share Fund**  
ARSN 095 143 294 APIR STL0101AU

The first three Funds listed above (referred to in this PDS as the “Diversified Funds”) provide the opportunity to invest indirectly in a varying mix of Australian and International shares, listed property trusts, Australian and International fixed interest and cash. The Sandhurst IML Industrial Share Fund provides the opportunity to invest indirectly in Australian industrial shares and cash.

Sandhurst Trustees is a wholly owned subsidiary of Bendigo Bank Limited (“Bendigo Bank”), ABN 11 068 049 178 AFSL 237879 and is part of the Bendigo Bank Group which comprises Bendigo Bank and any of its controlled entities.

The Funds are designed for investors who are able to make an initial contribution, and maintain a minimum balance, of at least \$100,000 in any Diversified Fund or, in the case of the Sandhurst IML Industrial Share Fund,

make an initial contribution, and maintain a minimum balance, of at least \$250,000. You should note that the expression “wholesale” is given a specific meaning under the Corporations Act. The term “wholesale”, when used in this PDS to describe the Funds, is not intended to have the technical meaning given to the term under the Corporations Act. An investor in the Funds will not necessarily be classified as “wholesale” for the purposes of the Corporations Act.

All investments have inherent risk, including a loss of income or capital, a less than expected rate of return on funds invested or a delay in payment. For this reason, the repayment of capital invested, the payment of income or the investment performance of the Funds is not guaranteed by Sandhurst Trustees, Bendigo Bank, the Bendigo Bank Group, any Associated Company, IML, IOOF/Perennial, MLC, or any of their officers, employees or agents.

Importantly, an investment in the Funds does not represent a deposit with, or liability of Bendigo Bank, any Associated Company, Sandhurst Trustees, or any other company in the Bendigo Bank Group, IML, IOOF/Perennial or MLC. Sandhurst Trustees is not an authorised deposit-taking institution within the meaning of the Banking Act 1959.

This PDS has been prepared by Sandhurst Trustees alone.

Words and expressions that are capitalised in this PDS are defined in the Glossary (refer to page 32).

### About this PDS

It is important that you read this PDS carefully before deciding whether to invest and before lodging an application for units in any of the Funds. We suggest that you keep this PDS and any supplementary information for future reference.

This PDS contains general information to assist you in making an informed decision about investing in the Funds and to help you identify which Fund or Funds may meet your needs. It does not constitute advice or contain a recommendation to invest in any of the Funds. The PDS has been prepared without taking into account the particular objectives, financial situation or needs of any investor.

To help you make an informed investment decision, you should consider obtaining professional advice from a licensed financial adviser and/or taxation adviser.

The offer to invest in the Funds is available to persons receiving a copy (electronic or otherwise) of the most up-to-date PDS for the Funds within Australia. This PDS does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. Applications from outside Australia will not be accepted.

#### **Where to obtain a PDS**

To obtain a copy of the most up-to-date PDS you can:

- visit our website at [www.sandhursttrustees.com.au](http://www.sandhursttrustees.com.au) (select “Products”);
- telephone us on 1800 634 969 (Mon - Fri 8.30am - 5.00pm Victorian time); or
- write to us (see inside the back cover for contact details).

#### **Accessing up-to-date investment information**

Some of the information contained in this PDS may change from time to time. Where those changes are not materially adverse to investors, we may not always update or replace this PDS to reflect the changes.

To find out about any up-to-date information, including quarterly reports

providing details of the performance of the Funds, asset allocations, the size of the Funds and the current Investment Managers you can:

- visit our website at [www.sandhursttrustees.com.au](http://www.sandhursttrustees.com.au) (select “Products”);
- telephone us on 1800 634 969 (Mon - Fri 8.30am - 5.00pm Victorian time); or
- write to us (see inside the back cover for our contact details).

A paper copy of any updated information will be provided to you free of charge upon request.

## Contents

<b>Before you start</b>	<b>2</b>	<b>Changing your details</b>	<b>24</b>
<b>About this PDS</b>	<b>2</b>	<b>Distributions</b>	<b>24</b>
<b>Where to obtain a PDS</b>	<b>3</b>	<b>Application and withdrawal unit prices</b>	<b>25</b>
<b>Accessing up-to-date investment information</b>	<b>3</b>	<b>Keeping you informed</b>	<b>26</b>
<b>About the Funds</b>	<b>5</b>	Periodic reporting	26
General Fund information	5	Customer service	26
Structure	5	<b>Complaints</b>	<b>26</b>
<b>Who manages the Funds?</b>	<b>6</b>	<b>What about tax?</b>	<b>27</b>
Sandhurst Trustees Limited	6	The way Managed Investment Schemes are taxed	27
Sandhurst Trustees as Investment Manager	6	Foreign investment funds ("FIFs")	27
Investors Mutual Limited ("IML")	7	Tax on your distributions	27
IOOF Investment Management Limited / Perennial Investment Partners Limited ("IOOF/Perennial")	8	GST	27
MLC Investments Limited ("MLC")	8	Capital gains tax when you withdraw from the Fund	27
Use of derivatives	9	Quotation of Tax File Number ("TFN") or Australian Business Number ("ABN")	27
Statement on socially responsible investing	9	Pension and benefits	28
<b>Summary of Funds</b>	<b>10</b>	<b>Additional information</b>	<b>28</b>
<b>What are the benefits?</b>	<b>12</b>	The Funds' Constitutions	28
<b>What are the significant risks?</b>	<b>12</b>	Sandhurst IML Industrial Share Fund Agreements with IML	29
<b>What are the fees and costs?</b>	<b>15</b>	Privacy	29
Consumer Advisory Warning	15	Eligible investors	30
Additional explanation of fees and costs	17	Appointment of nominated representatives	30
<b>How to invest</b>	<b>21</b>	Continuous disclosure requirements	31
Initial investments	21	Investing through a master trust or wrap account?	31
Additional investments	21	Consents	31
Cut-off time for receipt of applications	21	<b>Glossary</b>	<b>32</b>
<b>Is there a cooling-off period?</b>	<b>22</b>	<b>Guide to completing the application form</b>	<b>34</b>
<b>Withdrawing your investment</b>	<b>22</b>	<b>Application forms</b>	<b>37</b>
<b>Switching between Funds</b>	<b>23</b>	<b>Contact details</b>	<b>47</b>

## About the Funds

### General Fund information

Sandhurst Trustees aims to create wealth for investors by providing investment opportunities that are managed by professional Investment Managers. The Funds aim to achieve this by investing indirectly through Underlying Managed Investment Schemes managed by a selection of quality Investment Managers, including Sandhurst Trustees itself.

This approach involves allocating investment decisions to a variety of managers who specialise in managing specific Asset Classes. We call this the “manage the manager” approach. This approach is founded on our belief that it is unlikely one manager will be successful across all Asset Classes in the medium to long-term. The Investment Managers we select all share one common characteristic - they have expertise in their field and have a record of delivering competitive investment performance over the long-term.

### Structure

Sandhurst Trustees is the Responsible Entity of the Funds. As Responsible Entity we are the issuer of units in the Funds. The Funds are registered Managed Investment Schemes regulated under the Corporations Act.

At the date of this PDS, Sandhurst Trustees has chosen Investors Mutual Limited (“IML”), ABN 14 078 030 752, AFSL 229988, IOOF Investment Management Limited (“IOOF”), ABN 53 006 695 021, AFSL 230524, through Perennial Investment Partners Limited (“Perennial”), ABN 59 087 901 620, AFSL 238763, and MLC Investments Limited (“MLC”), ABN 30 002 641 661, AFSL 230705, as the Investment Managers to invest the assets of the

Funds. Sandhurst Trustees itself is the Investment Manager of the ‘cash and short-term securities’ Asset Class for the Funds.

The Funds seek exposure to the relevant Asset Classes by investing in Underlying Managed Investment Schemes managed by the Investment Managers.

The Sandhurst IML Industrial Share Fund invests predominantly in the Sandhurst Industrial Share Fund, of which Sandhurst Trustees is also the Responsible Entity. The investments of the Sandhurst Industrial Share Fund are managed by IML and Sandhurst Trustees.

The Diversified Funds invest predominantly in Underlying Managed Investment Schemes managed by the selected Investment Managers (currently IML, IOOF/Perennial, MLC and Sandhurst Trustees itself).

Each of the Funds also hold small amounts of cash in operating accounts with Bendigo Bank.

Please refer to page 11 for details of the portion of assets managed by each Investment Manager and the asset allocations of the Funds.

In an endeavour to ensure that we achieve the best possible result for our investors, the overall performance of the Investment Managers we select will be regularly reviewed. This may result in the portion of monies allocated to each Investment Manager changing or Investment Managers being selected, replaced or rejected at any time without prior notice to you. As a result, weightings of investments, the identity and number of Investment Managers and Underlying Managed Investment Schemes may change from time to time. Please refer to page 3 for details on how to access up-to-date information, including the current Investment Managers.

## Who manages the Funds?

### **Sandhurst Trustees Limited**

Sandhurst Trustees is the Responsible Entity of the Funds.

Since 1888, Sandhurst Trustees has been assisting Australian families with their financial needs. Today, Sandhurst Trustees' range of services extends to funds management, with approximately \$3 billion in funds under management as at 31 May 2006. Sandhurst Trustees is a wholly owned subsidiary of Bendigo Bank.

As Responsible Entity of the Funds, Sandhurst Trustees is responsible for the management and administration of the Funds and their investments. Sandhurst Trustees will select new Investment Managers on the basis of a number of qualitative and quantitative factors, including their performance, investment strategy and key personnel. Sandhurst Trustees will monitor the performance and management of each Investment Manager by employing a two tiered approach consisting of:

- (1) monitoring the investment performance and stability of the Funds with daily management conducted by our experienced funds management team; and
- (2) monitoring via a dedicated Board appointed investment committee.

Our monitoring procedures include, but are not limited to:

- regularly reviewing the investment performance of each Investment Manager;
- maintaining contact and ongoing liaison with key personnel within each Investment Manager's business;
- reviewing and assessing the use of derivatives by each Investment Manager;
- reviewing any market research reports on the Investment Managers; and

- addressing any concerns we may have with key personnel of each Investment Manager.

### **Sandhurst Trustees as Investment Manager**

As well as acting as Responsible Entity for the Funds, Sandhurst Trustees is the Investment Manager of the 'cash and short-term securities' Asset Class of the Funds.

Sandhurst Trustees aims to create wealth for investors by employing a disciplined and conservative approach to managing quality assets. This approach means making investment decisions based on our assessment of which authorised investments are likely to maximise the potential for both income and capital stability. Sandhurst Trustees is an experienced investment manager of mortgages, cash and short-term securities with a high quality investment team committed to delivering value added performance to investors.

Sandhurst Trustees currently manages the 'cash and short-term securities' Asset Class of the Sandhurst IML Industrial Share Fund. We invest in various banking products or short-term securities that deliver a competitive return, exhibit characteristics of capital stability and are liquid. Such investments are made through arrangements administered by Bendigo Bank.

The Diversified Funds currently seek exposure to the 'cash and short-term securities' Asset Class by investing in the Sandhurst Cash Common Fund (ARSN 090 908 400) and the Sandhurst Select Mortgage Fund (ARSN 090 909 069). These Underlying Managed Investment Schemes are managed by Sandhurst Trustees through arrangements administered by Bendigo Bank.

Our investment philosophy in managing the Sandhurst Cash Common Fund is to make investment decisions based on our view of the Australian economy and interest rates. We believe that gaining a solid understanding of macro economic conditions and interest rates assists us

in managing the investment portfolio with the aim of delivering value added performance.

In managing the Sandhurst Cash Common Fund, we only invest in Investment Grade Credit Rated securities which ensures the investment portfolio maintains a high level of capital stability. Consistent with the short dated nature of this fund's investments, Sandhurst Trustees has adopted a policy (as required by the Trustees Companies Act 1984 (Vic)) of restricting investments to those which have maturity of not more than 200 days.

In managing the Sandhurst Select Mortgage Fund we apply strict lending criteria and fully evaluate the borrower's financial stability and ability to service the loan. We only invest in first registered mortgages secured by the underlying property. We invest in a combination of residential, commercial, retail, rural, hotel/motel and industrial mortgages with both fixed and variable interest rates. We only loan up to two-thirds of the valuation of the mortgaged property, except for residential mortgages where the excess is insured by an approved insurer. An independent valuer, acceptable to Sandhurst Trustees must, in all cases, conduct the valuation of security properties.

Sandhurst Trustees will not invest in mortgages that it regards as speculative in nature or lend or take primary security over property development projects. All loan applications are carefully considered by our specialist lending team and loan approvals are subject to Board approved delegated lending authorities.

#### **Investors Mutual Limited ("IML")**

IML is an investment manager specialising in Australian equities and has been chosen to manage a portion of Australian shares in each of the Funds. IML was established in 1998, and has grown steadily since then to approximately \$5.3 billion in funds under management as at 31 May 2006.

The Sandhurst IML Industrial Share Fund is a sector specific fund investing in one major Asset Class being Australian industrial shares. The Sandhurst IML Industrial Share Fund currently seeks exposure to Australian industrial shares by investing predominantly in units in the Sandhurst Industrial Share Fund (ARSN 090 472 325) of which IML is currently the Investment Manager of Australian shares. Sandhurst Trustees (as Responsible Entity of the Sandhurst Industrial Share Fund) has appointed IML under an Investment Management Agreement (refer to page 29).

IML is also currently one of the Investment Managers of the Australian shares Asset Class in the Diversified Funds. The Diversified Funds currently gain exposure to Australian shares through investments in Underlying Managed Investment Schemes, including Underlying Managed Investment Schemes managed by IML.

IML has a conservative investment style with a long-term focus, and aims to deliver consistent returns for investors. IML achieves this through the disciplined application of a fundamental and value-based approach to investing.

IML's investment philosophy is based on a belief that a company's share price will reflect its underlying value in the long-term. IML believes that markets are not fully efficient and there will be times that a company's share price will not reflect what it believes to be that company's true underlying value. Such situations provide the IML investment team with the opportunity to build long-term portfolio positions in quality companies at attractive valuations.

The IML investment team are focused on both quality and value when researching and analysing companies. They look to invest in companies with four clear quality characteristics:

1. competitive advantage;
2. recurring earnings;

3. capable management; and
4. the ability to grow over time.

Additionally, from a valuation perspective it is important that such companies trade at a price below what IML believes represents the long-term underlying value of the company.

IML has an active, 'bottom-up' approach to identifying, researching and valuing quality companies. IML's approach is systematic, disciplined and focuses on finding companies that meet its investment criteria and then determining an appropriate valuation for those companies.

**IOOF Investment Management Limited / Perennial Investment Partners Limited ("IOOF/Perennial")**

IOOF Investment Management Limited ("IOOF") is a progressive Australian funds management organisation, which was originally founded in 1846. IOOF aims to achieve excellent investment performance to help Australians grow their wealth and achieve their financial goals. The IOOF group of companies has over \$25 billion of funds under management and administration as at 31 May 2006.

Perennial Investment Partners Limited ("Perennial") is a specialist investment management company within the IOOF group. Perennial is a wholesale funds management company with expertise in management of the following Asset Classes: Australian shares, International shares, International and Australian property, International and Australian fixed interest and cash. Perennial is a majority owned subsidiary of IOOF.

The Diversified Funds currently gain exposure to Australian and International shares, listed property trusts and fixed interest through investments in Underlying Managed Investment Schemes, including Underlying Managed Investment Schemes of which IOOF is the responsible entity and Perennial is the Investment Manager.

Perennial believes that all securities, including stocks and bonds, have an intrinsic value and through established fundamental analysis, Perennial can determine what it considers to be their true value. Perennial also believes that investment markets are not fully efficient and from time to time stray from their true value. This gives active managers, such as Perennial, the opportunity to add value. They believe that only through active management may experienced investment professionals identify mispricing opportunities and add value over and above recognised index returns.

Fundamental research is the cornerstone of Perennial's investment approach. A significant amount of research is undertaken to arrive at what Perennial considers to be the optimal portfolio construction that will maximise the opportunity of reaching investment goals. Through an active investment approach, they aim to provide a superior risk/return outcome to that of relevant index or benchmark returns.

**MLC Investments Limited ("MLC")**

MLC is part of the National Australia Bank Group. As at 31 March 2006, MLC and associated companies in Australia managed more than \$90.5 billion on behalf of retail and corporate customers.

Different investment managers have different strengths, different investment styles and specialise in different Asset Classes, geographic regions and industry sectors. MLC believes that no single investment manager can hope to be the best performer in all Asset Classes or all markets at all times.

MLC invests through a wide range of specialist investment management companies, each with strengths in particular Asset Classes, regions, sectors and styles. To find the right combination of specialist investment managers from the thousands of investment management companies worldwide requires enormous research capabilities.

MLC has a team of highly skilled and highly qualified investment professionals working to 'manage the managers' on behalf of investors.

To complement the investments in the Diversified Funds, Sandhurst Trustees may from time to time invest with MLC to gain exposure to specialist investment managers under the MLC banner. Currently, the Diversified Funds invest in Underlying Managed Investment Schemes, including Underlying Managed Investment Schemes operated by MLC, in order to gain exposure to International shares.

#### **Use of derivatives**

The Funds do not invest directly in derivatives. However the Underlying Managed Investment Schemes in which the Funds invest may invest in derivatives. In this regard, Sandhurst Trustees, IML, IOOF/Perennial and MLC may use derivatives to gain exposure to particular securities or to reduce risk, reduce transaction costs or take advantage of opportunities to increase returns. IOOF/Perennial and MLC may also use options, futures and other derivatives to manage foreign currency risk. Sandhurst Trustees may also use derivatives for hedging purposes and to help manage interest rate risk.

Sandhurst Trustees, IML, IOOF/Perennial and MLC do not use derivatives for the purpose of gearing or leveraging the Underlying Managed Investment Schemes.

Please refer to page 14 for information on the risks associated with the use of derivatives.

#### **Statement on socially responsible investing**

Sandhurst Trustees does not take into account labour standards or environmental, social or ethical considerations for the purpose of selecting or retaining Investment Managers for the Funds.

Furthermore, Sandhurst Trustees and the other Investment Managers do

not take into account labour standards or environmental, social or ethical considerations for the purpose of selecting, retaining or realising the investments of the Underlying Managed Investment Schemes.

In making investment decisions, Sandhurst Trustees, IML, IOOF/Perennial and MLC take into account the expected return and performance of individual investments. In doing so none of the Investment Managers has a predetermined view on what it regards to be a labour standard or an environmental, social or ethical consideration or in relation to how any such considerations are to be taken into account. Therefore, such factors are considered only where they are expected to have a material financial impact on an individual investment.

## Summary of Funds

	<b>Bendigo Conservative Wholesale Fund</b>	<b>Bendigo Balanced Wholesale Fund</b>	<b>Bendigo Future Growth Wholesale Fund</b>	<b>Sandhurst IML Industrial Share Fund</b>
<b>Investment Manager(s)</b>	Sandhurst Trustees, IOOF/Perennial, IML and MLC	Sandhurst Trustees, IOOF/Perennial, IML and MLC	Sandhurst Trustees, IOOF/Perennial, IML and MLC	IML and Sandhurst Trustees
<b>Investment objective</b> The objective is not an indication or guarantee of the possible performance of the Fund in the future. (Note: this section should be read in conjunction with the risks outlined on page 13).	To achieve a moderate level of capital growth and income over the medium-term, whilst minimising the risk of capital loss by investing in a diversified conservative portfolio.	To achieve a combination of capital growth and income over the medium to long-term by investing in a diversified asset portfolio.	To achieve medium to long-term capital growth, together with some income by investing in a diversified growth portfolio.	To achieve, over the long-term, capital growth and income and to deliver a return (after fees and expenses and before taxes) that is in excess of the S&P/ASX 300 Industrial Accumulation Index on a rolling four year basis.
<b>Investment strategy</b> This is the means by which the Fund seeks to achieve its investment objectives and the grounds on which the Fund's investment objectives are set.	To invest via a selection of high quality Investment Managers that specialise in managing specific Asset Classes. The Fund will invest predominantly in income generating defensive assets (eg. bank-backed bills, fixed interest securities, mortgages and cash). Furthermore, the Fund will limit its exposure to Australian shares, international shares and listed property trusts.	To invest via a selection of high quality Investment Managers that specialise in managing specific Asset Classes. The Fund will invest in a range of Asset Classes with a diversified exposure to growth assets (eg. Australian shares, international shares and listed property trusts) and income producing defensive assets (eg. bank-backed bills, fixed interest securities, mortgages and cash).	To invest via a selection of high quality Investment Managers that specialise in managing specific Asset Classes. The Fund focuses on investment in capital growth assets through a higher exposure to growth assets (eg. Australian shares, international shares and listed property trusts). Some exposure is also allocated to income producing defensive assets (eg. bank-backed bills, fixed interest securities, mortgages and cash).	The Fund will invest predominantly indirectly in a diversified portfolio of quality Australian industrial shares (including listed property trusts) included in the S&P/ASX 300 Industrial Accumulation Index, where these assets are identified by the Investment Manager as being undervalued.
<b>Investment timeframe</b>	Recommended for at least a three year investment period.	Recommended for at least a four year investment period.	Recommended for at least a five year investment period.	Recommended for at least a five year investment period.
<b>Target asset allocation</b> The investment mix of the Funds will generally be within these ranges.	The Funds gain exposure to their asset allocations by investments in Underlying Managed Investment Schemes. The target asset allocations of the Funds are set out below.  <b>Australian shares</b> Range: 15-25% Neutral position: 20% <b>International shares</b> Range: 5-15% Neutral position: 10% <b>Listed property trusts</b> Range: 0-10% Neutral position: 5% <b>Australian fixed interest</b> Range: 30-40% Neutral position: 35% <b>International fixed interest</b> Range: 10-20% Neutral position: 15% <b>Cash and short-term securities</b> Range: 10-20% Neutral position: 15%	The Funds gain exposure to their asset allocations by investments in Underlying Managed Investment Schemes. The target asset allocations of the Funds are set out below.  <b>Australian shares</b> Range: 20-30% Neutral position: 25% <b>International shares</b> Range: 20-30% Neutral position: 25% <b>Listed property trusts</b> Range: 5-15% Neutral position: 10% <b>Australian fixed interest</b> Range: 20-30% Neutral position: 25% <b>International fixed interest</b> Range: 10-20% Neutral position: 15% <b>Cash and short-term securities</b> Range: 10-20% Neutral position: 15%	The Funds gain exposure to their asset allocations by investments in Underlying Managed Investment Schemes. Small amounts of cash are also held by the Funds  <b>Australian shares (Industrial) *</b> Range 80-100% <b>Cash and short-term securities</b> Range 0-20%  *The Fund may invest indirectly in a maximum of 10% of Fund assets in unlisted equities provided that the relevant company's securities are expected to list within 12 months of making the investment.	

## Summary of Funds (cont.)

	Bendigo Conservative Wholesale Fund	Bendigo Balanced Wholesale Fund	Bendigo Future Growth Wholesale Fund	Sandhurst IML Industrial Share Fund
<b>Current asset allocation</b> As at 31 May 2006	<ul style="list-style-type: none"> <li><span style="color: #008080;">■</span> Aust FI 35%</li> <li><span style="color: #008080;">■</span> Aust Sh 20%</li> <li><span style="color: #008080;">■</span> Cash 15.2%</li> <li><span style="color: #008080;">■</span> Int FI 14.9%</li> <li><span style="color: #008080;">■</span> Int Sh 10%</li> <li><span style="color: #008080;">■</span> Property 4.9%</li> </ul>	<ul style="list-style-type: none"> <li><span style="color: #008080;">■</span> Aust Sh 24.5%</li> <li><span style="color: #008080;">■</span> Int Sh 25.3%</li> <li><span style="color: #008080;">■</span> Aust FI 25%</li> <li><span style="color: #008080;">■</span> Property 9.8%</li> <li><span style="color: #008080;">■</span> Int FI 10%</li> <li><span style="color: #008080;">■</span> Cash 5.4%</li> </ul>	<ul style="list-style-type: none"> <li><span style="color: #008080;">■</span> Aust Sh 44.3%</li> <li><span style="color: #008080;">■</span> Int Sh 24.9%</li> <li><span style="color: #008080;">■</span> Aust FI 10.2%</li> <li><span style="color: #008080;">■</span> Property 10.1%</li> <li><span style="color: #008080;">■</span> Int FI 7%</li> <li><span style="color: #008080;">■</span> Cash 3.5%</li> </ul>	<ul style="list-style-type: none"> <li><span style="color: #008080;">■</span> Aust Sh 93.5%</li> <li><span style="color: #008080;">■</span> Cash 6.5%</li> </ul>
<b>Current Investment Manager Allocation</b> As at 31 May 2006	<ul style="list-style-type: none"> <li><span style="color: #008080;">■</span> IOOF 66.8%</li> <li><span style="color: #008080;">■</span> STL* 15.2%</li> <li><span style="color: #008080;">■</span> IML 1.3%</li> <li><span style="color: #008080;">■</span> MLC 5%</li> </ul>	<ul style="list-style-type: none"> <li><span style="color: #008080;">■</span> IOOF 68.2%</li> <li><span style="color: #008080;">■</span> IML 13.6%</li> <li><span style="color: #008080;">■</span> MLC 12.8%</li> <li><span style="color: #008080;">■</span> STL* 5.4%</li> </ul>	<ul style="list-style-type: none"> <li><span style="color: #008080;">■</span> IOOF 59.7%</li> <li><span style="color: #008080;">■</span> IML 24.6%</li> <li><span style="color: #008080;">■</span> MLC 12.2%</li> <li><span style="color: #008080;">■</span> STL* 3.5%</li> </ul>	<ul style="list-style-type: none"> <li><span style="color: #008080;">■</span> IML 93.5%</li> <li><span style="color: #008080;">■</span> STL* 6.5%</li> </ul>
	*Includes small amounts of cash that are held in Bendigo Bank operating accounts. 'IOOF' means IOOF/Perennial; 'STL' means Sandhurst Trustees.			
<b>Past performance</b> As at 31 May 2006	<b>Bendigo Conservative Wholesale Fund<sup>#</sup></b>	<b>Bendigo Balanced Wholesale Fund<sup>#</sup></b>	<b>Bendigo Future Growth Wholesale Fund<sup>#</sup></b>	<b>Sandhurst IML Industrial Share Fund<sup>^</sup></b>
6 months	Dist % 1.89, Growth % 1.68, Total % 3.57	Dist % 1.50, Growth % 3.38, Total % 4.88	Dist % 1.56, Growth % 4.84, Total % 6.40	Dist % 2.67, Growth % 0.23, Total % 2.90
1 year	Dist % 7.79, Growth % 1.68, Total % 9.47	Dist % 8.26, Growth % 4.97, Total % 13.23	Dist % 9.34, Growth % 7.60, Total % 16.94	Dist % 11.29, Growth % -0.39, Total % 10.90
2 years p.a.	Dist % 6.51, Growth % 3.38, Total % 9.89	Dist % 6.61, Growth % 5.65, Total % 12.26	Dist % 7.01, Growth % 8.65, Total % 15.66	Dist % 9.17, Growth % 6.11, Total % 15.28
3 years p.a.	Dist % 6.54, Growth % 3.20, Total % 9.74	Dist % 6.37, Growth % 6.16, Total % 12.53	Dist % 6.57, Growth % 9.20, Total % 15.77	Dist % 7.87, Growth % 7.54, Total % 15.41
Since commencement of the Fund p.a.	Dist % 6.07, Growth % 2.39, Total % 8.46	Dist % 6.24, Growth % 3.08, Total % 9.32	Dist % 6.43, Growth % 4.35, Total % 10.78	Dist % 5.77, Growth % 8.85, Total % 14.62
<p><sup>#</sup>'Dist.' means distribution. Performance figures are calculated before tax and after fees and costs; using withdrawal prices and assumes distributions are Reinvested. <b>Past performance is not an indication of future performance.</b> <sup>#</sup>Funds commenced June 2002. <sup>^</sup>Fund commenced January 2001.</p> <p>For the most up-to-date information, including Fund performance, actual asset allocations, current Investment Managers and the size of the Funds you can:</p> <ul style="list-style-type: none"> <li>• visit our website at <a href="http://www.sandhursttrustees.com.au">www.sandhursttrustees.com.au</a> (select "Products");</li> <li>• telephone us on 1800 634 969 (Mon to Fri 8.30am to 5.00pm Victorian time); or</li> <li>• write to us (see inside of the back cover for details).</li> </ul> <p>Printed copies of Fund updates are available, free of charge on request.</p>				
<b>Distributions</b> (see also page 24 for more details)	30 June and 31 December	30 June and 31 December	30 June and 31 December	30 June and 31 December
<b>Unit pricing</b>	Daily	Daily	Daily	Daily
<b>Minimum initial investment</b>	\$100,000	\$100,000	\$100,000	\$250,000
<b>Minimum additional investment</b>	\$10,000	\$10,000	\$10,000	\$10,000
<b>Minimum withdrawal amount</b>	\$10,000	\$10,000	\$10,000	\$10,000
<b>Minimum switch amount</b>	\$10,000	\$10,000	\$10,000	\$10,000
<b>Minimum holding balance</b>	\$100,000	\$100,000	\$100,000	\$250,000

1. In exceptional market conditions the Sandhurst IML Industrial Share Fund may have higher levels of cash where, in the Investment Manager's opinion, more attractive investment opportunities cannot be found. Current asset allocations are regularly updated on our website.

## What are the benefits?

There are many reasons to invest in the Funds. These include:

- a choice of Funds offering different investment objectives;
- ready made diversified investments across different Asset Classes and geographic regions via the Diversified Funds;
- your money is managed by investment professionals who specialise in managing specific Asset Classes;
- access to investment opportunities and markets that may not be accessible to retail investors;
- generally you can apply to withdraw your investment on any Business Day (refer to page 22 for details on withdrawing from the Funds);
- from its investments, the Funds are expected to generate for investors:
  - dividends;
  - franking credits;
  - interest; and
  - capital gains (as well as capital losses).

## What are the significant risks?

It is important to understand that there are inherent risks in any investment. The purpose of this section is to inform you of the types of risks that may apply to an investment in the Funds. Whilst we are not able to remove all the risks associated with an investment in any of the Funds, Sandhurst Trustees and the Investment Managers employ a range of investment and risk management strategies to identify, evaluate and manage these risks.

All investments are subject to varying risks and generally go up as well as down in value. Different Asset Classes perform differently at different times and have different risk characteristics and volatility.

The significant risks for the Funds, and the way Sandhurst Trustees and the Investment Managers aim to manage them, are discussed on the following pages. The performance of the Funds and the return of capital are not guaranteed and the value of your investment will go up and down with the value of the Funds' assets.

What are the significant risks? (cont.)					
Risk	What is the risk?	Funds affected by the risk			
		Conservative Wholesale	Balanced Wholesale	Future Growth Wholesale	IML Industrial Share
<b>Individual investment risk</b>	<p>Individual investments made by the Funds will fluctuate in value, meaning that they can, and do, fall in value for many reasons including changes in the business environment. For example, a company's share price may fluctuate as a result of its financial or operating circumstances.</p> <p>We aim to reduce this risk by monitoring the Investment Managers and the investment performance of the investments of the Funds. The Investment Managers conduct thorough analysis and research of all investments held by the relevant Underlying Managed Investment Schemes.</p> <p>This is an inherent risk associated with all managed funds.</p>	Yes	Yes	Yes	Yes
<b>Market, country and political risk</b>	<p>The Funds may be impacted indirectly by market, country and/or political risk.</p> <p>Market risk relates to the performance of the market as a whole impacting on the Funds' investment returns. Factors that may influence the market include economic, technological, political, taxation, country and legal conditions and even market sentiment.</p> <p>The Investment Managers undertake research and analysis to form a view on these matters as best they can and then adjust the investments of the relevant Underlying Managed Investment Schemes to reduce the impact of these risks where possible.</p> <p>Each Fund invests in a diversified portfolio of investments within its prescribed Asset Classes (refer page 11 for asset allocation) to reduce the impact of market, political and/or country risk. The Diversified Funds invest in diversified portfolios across Asset Classes to reduce the impact of these risks.</p>	Yes	Yes	Yes	Yes
<b>Currency risk</b>	<p>This is the risk that currency movements can adversely affect the value of international investments. The Diversified Funds invest indirectly in other countries, and if their currencies change in value relative to our dollar, the value of the investment can change.</p> <p>The relevant Investment Managers intend to prudently manage the Underlying Managed Investment Schemes' foreign currency exposures to minimise adverse movements in the dollar arising from changes in exchange rates.</p>	Yes	Yes	Yes	No
<b>Interest rate risk</b>	<p>Changes in interest rates can have a positive or negative impact directly or indirectly on investment values or returns. For example government and bank accepted bills, cash and other interest-bearing securities have a direct relationship to fluctuations in interest rates.</p> <p>Sandhurst Trustees (as the Investment Manager of underlying 'cash and short-term securities') regularly monitors the impact of changes in interest rates on the underlying portfolios and considers the impact of any rate changes in its investment decisions.</p> <p>The Investment Managers consider the impact that interest rates may have on investments held by the Underlying Managed Investment Schemes that have a high sensitivity to interest rate changes.</p> <p>Each Fund invests in a diversified portfolio of investments within its prescribed Asset Class (refer page 11 for asset allocation) to reduce the impact of interest rate risk.</p>	Yes	Yes	Yes	Yes
<b>Fund risk</b>	<p>Risks particular to the Funds include the risk that they could be terminated, the fees and expenses could change, Sandhurst Trustees could be replaced as the Responsible Entity, any of the Investment Managers could be replaced as Investment Manager or any individual portfolio managers and other key personnel could change.</p> <p>We reduce the risk that the Investment Managers may change by engaging Investment Managers that we believe will assist us in meeting the Funds' investment objectives.</p> <p>There is also a risk that investing in the Funds may give different results than investing directly in securities because of income or capital gains accrued in the Funds, and the consequences of investments and withdrawals by other investors. You could receive back less than you invested and there is no guarantee that you will receive any income.</p> <p>Sandhurst Trustees aims to keep Fund risk to a minimum by monitoring how these risks may impact on the Funds and by acting in your best interests.</p>	Yes	Yes	Yes	Yes

What are the significant risks? (cont.)

Risk	What is the risk?	Funds affected by the risk			
		Conservative Wholesale	Balanced Wholesale	Future Growth Wholesale	IML Industrial Share
<b>Derivatives risk</b>	<p>The Funds do not directly invest in derivatives. However, the Underlying Managed Investment Schemes in which the Funds invest may invest in derivatives (see 'Use of derivatives' on page 9).</p> <p>Derivatives risk includes:</p> <ul style="list-style-type: none"> <li>• the value of derivative positions not moving in line with the movement in the underlying asset;</li> <li>• potential illiquidity of the derivative; and</li> <li>• the Underlying Managed Investment Schemes being unable to meet payment obligations in relation to derivatives contracts, and hence impacting on the value of the net assets of the Funds.</li> </ul> <p>Although not all of these risks can be eliminated, the Investment Managers manage these risks as far as practicable by:</p> <ul style="list-style-type: none"> <li>• regular monitoring of the derivative exposure of the investment portfolios they manage;</li> <li>• monitoring the investment portfolios they manage to ensure the portfolios can pay all of the obligations associated with derivatives from the appropriate amount of cash or physical assets held by the investment portfolio;</li> <li>• not borrowing against the assets of the investment portfolio for the purposes of leveraging the investment portfolios they manage;</li> <li>• only investing in derivatives that the Investment Managers consider to have adequate market depth; and</li> <li>• using intermediaries that the Investment Managers consider reputable.</li> </ul>	Yes	Yes	Yes	Yes
<b>Liquidity risk</b>	<p>The Funds will predominantly invest, through Underlying Managed Investment Schemes, in securities listed (or expected to be listed) on the ASX or International share exchanges. If there is an interruption of regular trading of the market, or for a particular asset of the Funds (or if official quotation of securities is denied), there may be delays in processing withdrawal requests. Similarly, for some investments in shares or property trusts where the volume of trading is low, the ability to liquidate those securities in a timely manner may be impacted.</p> <p>Sandhurst Trustees manages liquidity risk by investing in assets that are readily converted into cash in ordinary circumstances.</p> <p>The Funds invest indirectly in 'cash and short-term securities' to help reduce liquidity risk.</p>	Yes	Yes	Yes	Yes

## What are the fees and costs?

This section shows fees and other costs that you may be charged. These fees and other costs may be deducted from your money, from the returns on your investment or from the Fund assets as a whole. Information on taxation is set out on page 27.

You should read all of the information about fees and costs because it is important to understand their impact on your investment.

### Consumer Advisory Warning

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

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

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

#### TO FIND OUT MORE

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

All fees and costs set out in the table below are expressed inclusive of GST, less the maximum applicable reduced input tax credits (please refer to item 7 in the “Additional explanation of fees and costs” section on page 19 for further information).

What are the fees and costs?		
Type of fee or cost	Amount	How & when paid
<b>Fees when your money moves in or out of the Fund:</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>Withdrawal fee:</b> The fee on each amount you take out of your investment.	Nil	Not applicable
<b>Termination fee:</b> The fee to close your investment.	Nil	Not applicable
<b>Management Costs:</b>		
The fees and costs for managing your investment.  Please refer to item 1 in the "Additional explanation of fees and costs" section on page 17 for an explanation of Management Costs.	Estimated at 0.95% per annum for each Fund.	This fee is calculated on the Net Asset Value of each Fund.  This fee is accrued daily and reflected in the unit price of each Fund. The fee is paid quarterly in arrears to Sandhurst Trustees from the assets of each Fund.  The Management Costs include the fees and costs payable to the Investment Managers directly or indirectly through investments in Underlying Managed Investment Schemes.
<b>Service fees:</b>		
<b>Investment switching fee:</b> The fee for changing investment options. <sup>1</sup>	Nil	Not applicable.

1. Transaction costs may apply. Please refer to item 3 in the “Additional explanation of fees and costs” section on page 17 for an explanation of transaction costs.

## Additional explanation of fees and costs

### 1. Management Costs

The Management Costs are the total fees and costs incurred in managing each Fund and your investment. They include costs such as investment management fees, the Indirect Cost Ratio of the Underlying Managed Investment Schemes, Responsible Entity fees, administration expenses and other expense recoveries. Management Costs are deducted from the Fund assets as a whole.

The Management Costs include the fee paid to Sandhurst Trustees as Responsible Entity and fees and costs of the Investment Managers. The Constitutions of the Funds allow Sandhurst Trustees to recover all proper expenses incurred in administering the Funds. Our estimate of these administration expenses is included within the Management Costs of 0.95% shown on page 16.

### 2. Indirect Cost Ratio (“ICR”)

The ICR is a useful measure of the ongoing fees and costs you can expect to pay if you invest in the Funds. For each Fund, the ICR is the total of Management Costs (that is, ongoing fees and costs) that are not deducted directly from an investor’s account during a financial year represented as a percentage of the average Net Asset Value of the relevant Fund.

The ICR includes investment management fees and other expenses but excludes fund transaction costs (such as the buy-sell spread on the purchase and sale of securities or units in Underlying Managed Investment Schemes, and any applicable government taxes and charges) that would be incurred by someone investing directly in the underlying assets. These expenses are built into the price of the asset purchased or sold and are, therefore, borne by the Funds.

The ICR (inclusive of GST and net of any applicable reduced input tax credits) for each of the Funds for the year ended 31 December 2005 was:

- Bendigo Conservative Wholesale Fund 0.95% pa
- Bendigo Balanced Wholesale Fund 0.95% pa
- Bendigo Future Growth Wholesale Fund 0.95% pa
- Sandhurst IML Industrial Share Fund 0.95% pa

The historical ICR for each of the Funds is only an indicative measure. The actual expenses may vary from year to year.

For example, an investor who has an average annual balance of \$100,000 invested in the Bendigo Balanced Wholesale Fund would expect to incur indirect fees and costs of \$950 per annum.

### 3. Transaction costs (buy-sell spread)

Application and withdrawal prices of the Funds reflect an adjustment known as the buy-sell spread. The buy-sell spread is incorporated in the unit pricing to cover the cost of buying investments (in the case of an application) and the cost of selling investments (in the case of a withdrawal). The buy-sell spread does not represent a fee or income to Sandhurst Trustees or the Investment Managers.

The purpose of charging the buy-sell spread is to prevent existing unit holders from bearing the transaction costs associated with investors acquiring and withdrawing units in the Funds. The buy-sell spread is an additional cost to investors that is reflected in the application and withdrawal price.

The buy-sell spreads reflect the underlying buy-sell spreads charged by the Underlying Managed Investment

Schemes in which the Funds invest. The buy-sell spreads as at 31 May 2006 are:

Bendigo Managed Wholesale Funds	Buy Spread	Sell Spread
Bendigo Conservative Wholesale Fund	+0.10%	-0.10%
Bendigo Balanced Wholesale Fund	+0.15%	-0.15%
Bendigo Future Growth Wholesale Fund	+0.20%	-0.20%
Sandhurst IML Industrial Share Fund	+0.25%	-0.25%

As an example, a \$100,000 application into the Bendigo Balanced Wholesale Fund represents transaction costs of \$150. Likewise, a withdrawal of \$100,000 from the same Fund represents transaction costs of \$150. The transaction costs are paid by the difference or spread in the application and withdrawal price (i.e. currently 0.30% for this Fund).

Therefore, if on a particular date the valuation of the Bendigo Balanced Wholesale Fund units, determined as described in the section 'Application and withdrawal unit prices' on page 25, is \$1.00 then the application and withdrawal prices calculated for that day's transactions will be \$1.0015 and \$0.9985 respectively.

The buy-sell spread is Sandhurst Trustees' reasonable estimate of the total cost of acquiring/selling the assets of the Funds expressed as a percentage of the Net Asset Value per unit. The buy-sell spread may be altered by Sandhurst Trustees at any time. If we increase the buy-sell spread we will provide you with 30 days prior notice.

#### 4. Example of annual fees and costs

This table gives an example of how the fees and costs of the Bendigo Balanced Wholesale Fund can affect your investment over a one year period. You should use this table to compare this

Fund with other managed investment products.

Example - the Bendigo Balanced Wholesale Fund		Balance of \$100,000 with a contribution of \$10,000* during year.
Contribution Fees	0%	For every additional \$10,000 you put in, you will be charged \$0.
<b>PLUS</b> Management Costs	0.95% p.a.	<b>AND</b> , for every \$100,000 you have in the Fund, you will be charged \$950 each year.
<b>EQUALS</b> Cost of Fund		If you had an investment of \$100,000 at the beginning of the year and you put in an additional \$10,000 during that year, you would be charged fees of from: <b>\$950 to \$1,045#</b>  <b>What it costs you will depend on the investment option you choose and the fees you negotiate with your fund or financial adviser.</b>

\* The minimum additional investment for this Fund is \$10,000.

# Includes the Management Costs on the additional investment and assumes the additional \$10,000 was invested at the beginning of the year.

#### 5. Maximum fees and waiver

Under the Constitution of each Fund, we are permitted to charge the following maximum fees (plus GST if applicable):

- Contribution fee: Up to 5% of the Application Money.
- Withdrawal fee: Up to 5% of the Aggregate Redemption Price for the units withdrawn.
- Investment Switching fee: Up to 5% of the Aggregate Redemption Price for the units withdrawn.
- Management fee: Up to 5% per annum of the Gross Asset Value of the Fund.
- Performance fee: Up to 25% of the net realised and unrealised appreciation in the Net Asset Value of the Fund.

Each Constitution also gives us the right to accept lower fees than we are entitled to receive under the Constitution, to defer payment or to waive our entitlement to such fees. We do not currently charge a contribution fee, withdrawal fee, investment switching fee or performance fee and do not currently intend to introduce such fees.

The Constitutions allow Sandhurst Trustees to recover all proper expenses from the Funds. These are commonly referred to as expense recoveries and include, but are not limited to: audit, taxation, PDS, legal, establishment, administration, stationery, postage and compliance costs. The estimate for these fees is included in the Management Costs of 0.95% shown on page 16.

Please refer to item 8 “Can the fees change?” for information on the circumstances in which fees charged by us may change.

#### 6. Commission to advisers

It is general practice for Sandhurst Trustees not to pay commissions to advisers for procuring investments in the Funds. However, Sandhurst Trustees may pay its agents, distributors or licensed financial advisers (which may include members of the Bendigo Bank Group, any Associated Company and agencies or alliances of Bendigo Bank, including **Community Banks®**) a fee or ongoing commission out of its own resources.

We may also provide remuneration to your adviser indirectly by paying them additional amounts such as market support payments or contributions towards conferences.

Details of any adviser fee or commission will be set out in the Financial Services Guide and Statement of Advice which your adviser will give you. Any commission paid by Sandhurst Trustees is not an extra amount paid by investors or paid out of the Funds. The payment and terms of payment of such fees or commissions are entirely at Sandhurst Trustees’ discretion.

#### 7. Application of goods & services tax (“GST”)

Fees and costs are subject to GST, usually 10% of the amount shown. The Funds may be entitled to Reduced Input Tax Credits (“RITCs”) of 75% of any GST paid. This will effectively reduce the GST of 10% to 2.5%, where applicable. The fees and costs shown in the preceding fee tables are shown as inclusive of GST, less the maximum applicable RITCs.

For the purposes of this PDS, it has been assumed that Sandhurst Trustees will be entitled to the maximum amount of RITCs applicable when stating fee amounts. However, you should be aware that, if the GST rate increases, or if the full amount of RITCs is not applicable, the Funds’ Constitutions allow us to recoup the extra amount from the Funds. Please see item 8 “Can the fees change?”

#### 8. Can the fees change?

The fees and costs may change subject to the maximum limits specified in the Funds’ Constitutions. Reasons may include changing economic conditions and changes in regulation. Fees and costs may only change after prior notice is given as set out in the paragraph below.

Investors will be advised of increases to fees and costs at least 30 days prior to the changes taking effect, allowing time for a withdrawal option to be executed if desired.

#### 9. ASIC fee calculator

The Australian Securities and Investments Commission (“ASIC”) website, [www.fido.asic.gov.au](http://www.fido.asic.gov.au) offers a fee calculator to help investors understand the impact of charges over time. The impact of small increases or decreases can be significant. The fee calculator may also help investors compare the charges of the Funds to other investment products.

### 10. Differential fee arrangements

From time to time Sandhurst Trustees may negotiate fees that differ from those stated in this PDS with certain “wholesale clients” (as defined in the Corporations Act). For example, we may effectively reduce our fees by negotiating rebates or issuing additional units in a Fund to a “wholesale client”. Such negotiations are undertaken on a case-by-case basis and only for “wholesale clients” who invest significant amounts of money in a Fund. Any such arrangement will be entered into in accordance with the requirements of the Corporations Act and ASIC policy.

We do not negotiate fees with retail investors.

### 11. Investment in related products

The Funds hold cash investments in Bendigo Bank operating accounts. Fees and charges associated with such bank accounts are charged by Bendigo Bank to the Funds on commercial terms, and are taken into account in calculating the Management Costs and ICR for each Fund.

The Diversified Funds predominantly invest in Underlying Managed Investment Schemes, some of which are operated and/or managed by Sandhurst Trustees. For example, as part of the ‘cash and short-term securities’ Asset Class, the Diversified Funds invest in the Sandhurst Cash Common Fund and the Sandhurst Select Mortgage Fund and, as part of the Australian share Asset Class, they invest in the Sandhurst IML Industrial Share Fund. Sandhurst Trustees receives fees from these Underlying Managed Investment Schemes. The fees and costs associated with these investments are on commercial terms and are taken into account in calculating the Management Costs and ICR for each Fund.

The Sandhurst IML Industrial Share Fund invests in the Sandhurst Industrial Share Fund, of which Sandhurst Trustees is also the Responsible Entity and an Investment Manager. In this circumstance, fees and costs of the Sandhurst Industrial Share Fund are fully rebated to the Sandhurst IML Industrial Share Fund.

## How to invest

### Initial investments

Investing in the Funds is a simple two step procedure:

1. Complete the application form that accompanies this PDS in accordance with the instructions on page 34.
2. Attach your cheque or Direct Debit Request Form (page 41), together with your completed application form and mail to:

Bendigo Managed Wholesale Funds  
Sandhurst Trustees Limited  
Level 5, 120 Harbour Esplanade  
Docklands, VIC 3008

Please make your cheque payable to Sandhurst - BMWF - [Name of Investor] and crossed "Not Negotiable".

The minimum initial investment is \$100,000 for each Diversified Fund. The minimum initial investment for the Sandhurst IML Industrial Share Fund is \$250,000.

We reserve the right to accept lesser amounts for the initial investment at our absolute discretion.

In circumstances where your application cannot be processed, we will contact you. During this period your application monies will be held in a trust account in accordance with the Corporations Act. Any interest earned on the trust account will form part of the assets of the applicable Fund as a whole.

### Additional investments

To add to your Fund(s) please follow the steps under "Initial investments" above or complete the Direct Debit Request Form on page 41. The minimum additional investment in each of the Funds is \$10,000. We reserve the right to accept a lesser amount for additional investments at our absolute discretion.

You should obtain a copy of the most up-to-date PDS and any information that updates the PDS for future reference when making additional investments in the Funds. You should also keep the periodic reports provided to you in relation to your investment for future reference (see page 26).

Each additional investment will be made on the terms of the most up-to-date PDS. If you are making an additional investment using the direct debit service (refer to page 41 for form), you may not need to complete a new application form.

Copies of the most up-to-date PDS are available free of charge from Sandhurst Trustees via our website [www.sandhursttrustees.com.au](http://www.sandhursttrustees.com.au) (select "Products"), by contacting our Customer Service Centre on 1800 634 969 or by writing to us (see inside the back cover for contact details).

### Cut-off time for receipt of applications

If a completed application form (for initial or additional investments) is received and accepted by Sandhurst Trustees before 12 noon Victorian time on a Business Day, the application will be processed at the application price based on the Net Asset Value of the Fund calculated as at the close of business on that day. Otherwise the application will be processed at the application price based on the Net Asset Value of the Fund as at the close of business on the following Business Day.

The Net Asset Values of the Funds are usually calculated on a daily basis (details of how application and withdrawal prices are calculated are set out in "Application and withdrawal unit prices" on page 25).

## Is there a cooling-off period?

Subject to applicable law, retail investors have access to a cooling-off period relating to their investment except for investments made under distribution reinvestment plans or as additional investments. There may be other circumstances in which a retail investor is not entitled to exercise cooling-off rights; for instance, if the Fund is not liquid at the time an investor's investment is made or where investments are made by 'wholesale clients' (as defined in the Corporations Act). For retail investors only, your cooling-off rights are described below.

Immediately following the earlier of the date on which you receive confirmation of your investment or the 5th Business Day after the day on which your investment was issued to you, there is a 14-day period during which you may cancel your investment (subject to applicable law).

Should you choose to cancel your investment during this period, the amount returned to you will be adjusted to take account of any movements in investment values since the day on which you acquired the investment and reasonable transaction costs.

If a distribution has occurred between acceptance of your application and receipt of your cooling-off period notification, there may be taxation implications for you. We suggest that you seek professional advice in these circumstances.

If you wish to cancel your investment during the cooling-off period, please inform us in writing of your intention to exercise this right before the end of the cooling-off period (and before exercising any rights or powers you have in respect of your investment in the Funds).

## Withdrawing your investment

The minimum withdrawal is \$10,000 for each Fund. A minimum balance of \$100,000 must be maintained in each of the Diversified Funds and \$250,000 must be maintained in the Sandhurst IML Industrial Share Fund (unless we agree to waive this requirement).

Fund withdrawal requests can be made by writing to Sandhurst Trustees providing the following information:

- the Fund name from which you wish to withdraw;
- your investment portfolio number;
- your account name;
- the amount to be withdrawn (in dollars or units);
- details of the financial institution for depositing the withdrawal proceeds – including nominated account name, account number and valid BSB;
- the signature of relevant investor(s)/ authorised signatories; and
- if making a company/trust withdrawal include the Company Seal or, if not signing under seal, include your title (eg. Director, Sole Director or Company Secretary).

The amount withdrawn will be credited directly into your nominated account. Alternatively a cheque can be sent to you (the investor) upon request, although this process usually takes longer than direct crediting.

Following receipt of a request for withdrawal, Sandhurst Trustees has up to 30 days to effect payment. However, we will endeavour to pay any amount withdrawn within 10 Business Days of receiving your request. Occasionally longer periods may apply.

If a withdrawal request for any of the Funds is received and accepted before

12 noon Victorian time on a Business Day, the withdrawal will be processed at the withdrawal price based on the Net Asset Value of the Fund as at the close of business on that day. Otherwise, the withdrawal will be processed at the withdrawal price based on the Net Asset Value of the Fund as at the close of business on the next Business Day. Details of how application and withdrawal prices are calculated are set out in the section 'Application and withdrawal unit prices' on page 25.

In extraordinary circumstances, Sandhurst Trustees reserves the right to suspend or refuse withdrawals from any of the Funds, if in the reasonable opinion of Sandhurst Trustees, it is in the best interests of the investors as a whole to do so.

## Switching between Funds

You may transfer or switch between Funds providing the minimum balance for each Fund is satisfied. The minimum switch amount is \$10,000 for each Fund. To switch between Funds please complete the application form attached at the back of the most up-to-date PDS. See page 3 for how to obtain the most up-to-date PDS.

There is currently no charge for this switching service although transaction costs (buy-sell spreads) do apply (please refer page 17 for further information on buy-sell spreads).

## Changing your details

You should notify Sandhurst Trustees in writing of any changes to your personal details as soon as possible. For your security we require all changes to your personal details to be made via a signed letter or fax. Remember to quote your portfolio number in all correspondence with us.

## Distributions

The Funds' Constitutions provide for distributions to be paid half yearly based on investor entitlements as at 31 December and 30 June. Each Constitution allows 2 months for payment of the distributions.

Each investor's distribution amount is calculated by dividing the total amount of the distribution by the total number of units on issue at the distribution date, and multiplying the result by the number of units held by each investor on that date. In each financial year, the full amount of taxable income available for distribution from each Fund is intended to be distributed to investors.

If you withdraw your units prior to the distribution date, you will not receive any distribution for the period you held those units in the relevant distribution period. However, the unit price for the Funds will incorporate the distribution entitlement to the withdrawal date.

Application and withdrawal prices fall by the approximate amount of the distribution after each distribution period because a distribution reduces a fund's assets. If you invest just before the end of a distribution period, you may find you have some of your capital returned as income.

You may elect to have your distributions from the Funds:

- a) Reinvested in further units in the same Fund; or
- b) paid to you by direct credit to your nominated account.

If you do not make a choice, or if a direct credit rejection occurs, then your distributions are automatically Reinvested. Units issued for Reinvested distributions will be priced using the Net Asset Value price calculated at the end of the relevant distribution period.

Any change to distribution instructions should be advised to Sandhurst Trustees at least 10 Business Days before the end of the relevant distribution period. Otherwise, the change to your distribution instructions will not occur until after the next distribution is paid.

Please note that distributions will not be paid by cheque.

## Application and withdrawal unit prices

Each of the Funds is a unitised product, meaning that each unit represents an equal part of the value of the net assets of each Fund. The Net Asset Value of the Funds and the application price and withdrawal price are calculated each Business Day.

The application price for a unit in a Fund is calculated as the value of the assets of the Fund, less the accrued expenses and other liabilities of the Fund, as determined by the Responsible Entity, divided by the number of units on issue, and adjusted by adding an amount to reflect the buy spread.

The withdrawal price for a unit in a Fund is calculated as the value of the assets of the Fund, less the accrued expenses and other liabilities of the Fund, as determined by the Responsible Entity, divided by the number of units on issue, and adjusted by subtracting an amount to reflect the sell spread.

## Keeping you informed

### Periodic reporting

We will provide you with a statement confirming initial contributions, additional investments and withdrawals as soon as is reasonably practicable after the transaction occurs.

For each Fund in which you invest, we will also send you:

- a half-yearly income distribution statement;
- a half-yearly transaction statement;
- an annual tax statement to assist with your tax return; and
- an annual report.

### Customer service

If you have any questions or enquiries or wish to obtain the most up-to-date information on your investment, including current unit prices, the current Investment Managers, regular reports providing information and performance of the Funds, and the current PDS, you can:

- visit our website at [www.sandhursttrustees.com.au](http://www.sandhursttrustees.com.au) (select “Products”);
- telephone us on 1800 634 969 (Mon – Fri 8:30am – 5:00pm Victorian time); or
- write to us (see inside of back cover for our contact details).

A paper copy of any information will be provided to you free of charge upon request.

## Complaints

If you have a complaint, please contact Sandhurst Trustees and inform us of your concern. We will then undertake to resolve the matter quickly, fairly and in the strictest of confidence, in accordance with our complaints-handling process. You may contact us on 1800 634 969 to speak to a member of our staff directly or write to the Complaints Officer at our address located on the inside back cover of this PDS.

If you advise Sandhurst Trustees of a complaint in relation to its products or services, Sandhurst Trustees will:

- acknowledge the complaint as soon as practicable;
- ensure the complaint receives proper consideration by a person designated by Sandhurst Trustees to handle complaints;
- address the complaint by endeavouring to correct any error which is capable of being corrected; and
- communicate to you as soon as possible (within 45 days of receipt of complaint) the outcome, remedy or action taken in relation to the complaint, as well as the availability of the external dispute resolution schemes.

You will not incur any charge for the handling of your complaint.

We do not anticipate a situation where we cannot resolve a concern or complaint to your satisfaction. However, should this happen, you have the option of referring the matter to the Financial Industry Complaints Service Limited (“FICS”) at the address below:

Financial Industry Complaints Service Ltd  
PO Box 579  
Collins Street West  
Melbourne, VIC 8007  
Telephone: 1300 780 808  
Facsimile: (03) 9621 2291

## What about tax?

As the Australian taxation system is complex and individual investors have different circumstances, we urge you to seek professional taxation advice before investing in the Funds. Reliance should not be placed on the brief and general information provided below.

### **The way Managed Investment Schemes are taxed**

It is intended that no income tax will be payable by the Funds as they will distribute all the income of the Funds to investors annually.

The distributions from the Funds will include the income the Funds have generated from their investing activities. The income will retain its character as it passes to the investors. As a result you might receive distributions of interest, dividends (which may include franking credits), capital gains, foreign income and other amounts. Investors may be able to use any franking credits and foreign tax credits to offset some or all of their Australian tax liability.

### **Foreign investment funds ("FIFs")**

The Diversified Funds may hold investments indirectly in FIFs via their investment in the Asset Class of International shares, and may be required to include in the net taxable income distributed to investors, the unrealised income and capital gains accumulating from such investments.

### **Tax on your distributions**

Australian resident investors are generally subject to tax on their share of the income of the Funds. This will also include amounts that are Reinvested in the Funds. If an investor is not an Australian resident, we urge them to seek professional taxation advice before investing in the Funds because a range of factors will impact on how distributions and withdrawals from the Funds are taxed in Australia.

The way in which investors are taxed will depend on the character of the distributions they receive. We will send you an annual tax statement indicating the components of your distribution usually within 60 days after the end of each financial year to assist you in completing your tax return.

### **GST**

GST will not be payable on your investments or contributions made to the Funds or on distributions you receive from the Funds.

Fees and expenses in respect of acquisitions by the Funds will often be subject to GST. The Funds may not be entitled to claim an input tax credit for the full amount of that GST, however, they may be entitled to RITCs of 75% of any GST paid. The GST included in expenses that cannot be claimed as an input tax credit will be a net cost and can be recouped from the Funds. If the GST rate increases the Funds' Constitutions allow us to recoup the extra amount from the Funds.

### **Capital gains tax when you withdraw from the Funds**

Australian residents who invest in the Funds are generally subject to capital gains tax on gains when they deal with their units, including where an investor redeems units and withdraws any money from the Funds. Where the investor is regarded as a trader or institutional investor, such profits may be regarded as ordinary income. Capital gains of individuals, trusts and complying superannuation entities may be concessionaly taxed in some cases if investors have held their units for at least 12 months.

### **Quotation of Tax File Number ("TFN") or Australian Business Number ("ABN")**

It is not compulsory that an investor quote us their TFN or ABN. If an investor does not quote their TFN or ABN, or claim an exemption, we may be required to withhold tax from distributions to an

investor at the highest marginal tax rate plus Medicare levy.

By quoting your TFN or ABN you authorise us to apply it to your investment and disclose it to the Australian Taxation Office. Collection of TFN or ABN information is authorised, and its use and disclosure is strictly regulated, by the tax laws and under privacy legislation.

#### **Pension and benefits**

Investments in the Funds may affect social security entitlements. Investors should, therefore, seek professional advice or consult Centrelink to determine the effect of income received in respect of an investment in the Funds on any social security entitlement.

## **Additional information**

### **The Funds' Constitutions**

Each Fund was established under a Constitution. Together with this PDS and applicable laws (including the Corporations Act), each Constitution governs our relationship with you.

Each Constitution deals with, amongst other things:

- the conditions under which each Fund operates;
- the rights, responsibilities and duties of the Responsible Entity and investors;
- fees and costs; and
- termination of the Fund.

Subject to the Funds' Constitutions and the law, your liability in relation to your investment in any of the Funds is limited to the amount (if any) which remains unpaid for your units. However, no absolute assurance can be given regarding the liability of investors as the enforcement of such provisions is subject to the determination of the Courts.

Subject to the Corporations Act, each Constitution limits our need to compensate you if things go wrong. Generally, if we comply with our duties as Responsible Entity of the Fund, then we do not need to compensate investors for any loss suffered in relation to the Fund.

We may amend the Constitutions without investor approval if we, as the Responsible Entity, reasonably consider that the amendment will not adversely affect investors' rights. Otherwise, we must obtain the approval of investors to make changes to the Constitutions at a meeting of investors.

You may obtain a copy of the relevant Constitution free of charge by writing to Sandhurst Trustees. Our contact details are listed inside the back cover of this PDS.

## Sandhurst IML Industrial Share Fund

### - Agreements with IML

The Sandhurst IML Industrial Share Fund gains its exposure to its investments by investing predominantly in the Sandhurst Industrial Share Fund (ARSN 090 472 325), of which Sandhurst Trustees is also the Responsible Entity.

#### Investment Management Agreement

Under an Investment Management Agreement dated 2 September 2002 (the 'Investment Agreement'), Sandhurst Trustees has appointed IML to manage the assets of the Sandhurst Industrial Share Fund. The key terms of the Investment Agreement are set out below:

- Sandhurst Trustees is not permitted to appoint any other person to invest or manage the assets of the Sandhurst Industrial Share Fund while IML is appointed as Investment Manager.
- IML is required to use its reasonable endeavours to comply with the investment mandate described in the Investment Agreement and to notify Sandhurst Trustees of any non-compliance.
- The investment mandate specifies that the assets of the Sandhurst Industrial Share Fund are to be invested, primarily, in industrial companies listed on the ASX.
- IML must report to Sandhurst Trustees any fees or commissions received by IML or any related body corporate of IML in relation to the investment of the assets of the Sandhurst Industrial Share Fund.

The Investment Agreement remains in force until 31 August 2012 unless terminated before that date upon the occurrence of specified events, including:

- if the Sandhurst Industrial Share Fund is wound up;
- if, for any continual three year period, certain performance criteria are not met, and Sandhurst Trustees gives IML 60 days written notice to terminate the Investment Agreement;
- if either Sandhurst Trustees or IML commits a material breach under the Investment Agreement, which is not

remedied within 30 days from receipt of a written notice of default from the non-defaulting party;

- if either Sandhurst Trustees or IML goes into liquidation, ceases to carry on business, or has a receiver or similar person appointed with respect to its assets and undertakings;
- if IML sells or transfers its main business and undertaking (subject to certain exceptions), or there is a change in control of IML; or
- if, at least 6 months before the fifth anniversary of the Investment Agreement, either party gives the other party written notice of its intention to terminate the Investment Agreement, and that notice is accepted by the other party or an independent expert determines (in accordance with the procedures set out in the Investment Agreement) that the party seeking to terminate the Investment Agreement has reasonable commercial grounds to do so.

IML's investment management fee is paid by Sandhurst Trustees out of its own resources. It is not an additional cost to investors in the Sandhurst Industrial Share Fund.

#### Strategic Alliance Agreement

Sandhurst Trustees and IML have also entered into a Strategic Alliance Agreement (the 'Agreement') which further governs their relationship and outlines their roles in respect of the Sandhurst Industrial Share Fund. The Agreement specifies the parties' obligations in relation to the promotion, marketing and administration of the Fund. There are also provisions in the Agreement relating to the sharing of the revenue and the expenses of the Fund between the parties.

#### Privacy

Under the Privacy Act 1988 (Cth), privacy rules now cover almost all personal information held by organisations in Australia.

Sandhurst Trustees collects your personal information so it can provide you with and administer the financial products you have requested. In order

to do that, Sandhurst Trustees may need to disclose some of your personal information to related entities within the Bendigo Bank Group and Associated Companies and to organisations that carry out administrative functions on behalf of Sandhurst Trustees or other members of the Bendigo Bank Group or Associated Companies (eg. auditors, mailing houses or information technology service providers). Sandhurst Trustees may also share your information with IML, IOOF/Perennial and MLC.

If any part of your personal information is not provided, Sandhurst Trustees may not be able to provide you with your requested products. Collection of some of this information is required under the Corporations Act. We may also be allowed or obliged to disclose information by law and to report on prudential or risk management matters.

Sandhurst Trustees may also share your personal information with related entities in the Bendigo Bank Group or Associated Companies, so that you can be informed about financial products or services offered or distributed by them or us. If you do not wish to receive information about new products and services from the Bendigo Bank Group or Associated Companies, please tick the box under step 2 of the application form or notify us through our Customer Service Centre on 1800 634 969.

If any of the Funds were recommended to you by a financial adviser (as evidenced on your application form) then details of your investment may be provided to that adviser and/or adviser group.

If the requested personal information is not provided on the application form and other relevant forms, it may not be possible to process or administer your application.

The consequences of not providing your TFN or ABN (or exemption) are noted in the section called 'What about tax?' on page 27 of this PDS.

You can request access to your personal information or Sandhurst Trustees' full privacy policy by contacting our Customer Service Centre on 1800 634 969. The full privacy policy can also be obtained by accessing the Sandhurst Trustees website at [www.sandhursttrustees.com.au](http://www.sandhursttrustees.com.au)

#### **Eligible investors**

You must be 18 years or over to invest in any of the Funds. An adult can make an investment on behalf of a minor by completing the application form in the adult's name on account for the minor.

The offer of investing in the Funds is available to persons receiving an up-to-date copy (electronic or otherwise) of this PDS within Australia. Applications from outside Australia will not be accepted.

#### **Appointment of nominated representatives**

You may wish to appoint a person, partnership or company as your nominated representative. To do so, the nominated person or party must complete the relevant section of the application form. A nominated representative is able to act on behalf of an investor in all matters relating to the Funds. The following conditions will apply:

- you agree to release, discharge, and indemnify Sandhurst Trustees, any company in the Bendigo Bank Group and any Associated Company from and against any and all losses, liabilities, actions, proceedings, accounts, claims and demands arising from the appointment or exercise of powers by the nominated representative;
- you agree that a payment or purported payment (the "Payment") made to your nominated representative, in accordance with the requests or instructions of the nominated representative shall be to the complete satisfaction of the obligation of Sandhurst Trustees, to the extent of the Payment, notwithstanding any fact or circumstance including that the Payment was requested, made,

or received without your knowledge or authority;

- you agree that if the Payment is made in accordance with the request or instruction of the nominated representative, you shall have no claim against Sandhurst Trustees, any company in the Bendigo Bank Group or any Associated Company in relation to the Payment;
- you understand and acknowledge that you are bound by the actions of the nominated representative in relation to the operation of your investment in the Funds;
- you agree that Sandhurst Trustees may cancel this arrangement or vary these conditions on 14 days notice; and
- this arrangement will continue until you cancel the appointment in writing, or until Sandhurst Trustees exercises its right to cancel the arrangement as set out above.

#### **Continuous disclosure requirements**

A fund that has 100 or more investors is a “disclosing entity” and, as such, is subject to regular reporting and disclosure obligations under the Corporations Act. Currently, only the Sandhurst IML Industrial Share Fund is a “disclosing entity”. Copies of documents lodged with ASIC in relation to the Sandhurst IML Industrial Share Fund, or any other Funds that become “disclosing entities”, may be obtained from, or inspected at, an ASIC office. Alternatively, if you wish to obtain a copy of:

- the Fund’s annual financial report most recently lodged with ASIC;
- any half-year financial report of the Fund lodged with ASIC after the lodgement of the annual report and before the date of this PDS; or
- any continuous disclosure notices given by the Fund after lodgement of the annual report and before the date of this PDS,

please telephone 1800 634 969 and we will provide you with copies of these documents free of charge.

#### **Investing through a master trust or wrap account?**

If you are investing through a master trust, wrap account or other investor directed portfolio service (“IDPS”), then remember that it is generally the operator of that service which becomes the investor in the Funds (not you). It follows that they have the rights of an investor and can exercise them in accordance with their arrangements with you.

Sandhurst Trustees is not responsible for the operation of any master trust, wrap account or IDPS through which you invest. If you are investing through a master trust, wrap account or IDPS, then enquiries and complaints should be directed to the operator of that service, not to Sandhurst Trustees.

In addition to reading this document, you should read the document which explains the master trust, wrap account or IDPS.

#### **Consents**

Investors Mutual Limited, IOOF Investment Management Limited, Perennial Investment Partners Limited and MLC Investments Limited have given and have not, before the date of this PDS, withdrawn their written consent to be named in this PDS, and to the statements in the PDS concerning their role and activities as Investment Managers or responsible entities (as applicable), in each case in the form and context in which they are included or named.

Bendigo Bank Limited has given and has not, before the date of the PDS, withdrawn its written consent to be named in this PDS and to the statements in the PDS concerning its role and activities, in each case in the form and context in which it is included or named.

The issue of this PDS has been consented to by the Directors of Sandhurst Trustees Limited.

## Glossary

The glossary listed below will help you understand some of the terms commonly used in this PDS in relation to the Funds.

**AFSL:** means Australian Financial Services Licence.

**Aggregate Redemption Price:** has the meaning given in the Constitution of each Fund.

**APIR:** means a unique identifier code, issued by APIR® Systems Limited, to participants and products within the Financial Services Industry.

**Application Money:** means the amount paid by an investor to acquire units in a Fund.

**ARSN:** means Australian Registered Scheme Number and is the number issued by ASIC to a registered scheme.

**Asset Class:** means a broadly defined category of financial assets, for example, Australian shares, International shares, fixed interest, cash and so on.

**Associated Company:** means any person or entity associated with any company in the Bendigo Bank Group, including any company managing a **Community Bank®** branch or any franchisee, alliance or joint venture partner or agent.

**ASX:** means Australian Stock Exchange.

**Bendigo Bank:** means Bendigo Bank Limited (ABN 11 068 049 178).

**Bendigo Bank Group:** means Bendigo Bank Limited (ABN 11 068 049 178) and any of its controlled entities.

**Bendigo Managed Wholesale Funds:** means the Funds offered for investment in this PDS:

- Bendigo Conservative Wholesale Fund (ARSN 100 445 609)
- Bendigo Balanced Wholesale Fund (ARSN 100 445 341)

- Bendigo Future Growth Wholesale (ARSN 100 445 476)
- Sandhurst IML Industrial Share Fund (ARSN 095 143 294)

**Business Day:** means a day that is not a Saturday, a Sunday or a public holiday or bank holiday in the State of Victoria.

**Corporations Act:** means the Corporations Act 2001 (Cth)

**Diversified Funds:** in this PDS means the Bendigo Conservative Wholesale Fund, the Bendigo Balanced Wholesale Fund and the Bendigo Future Growth Wholesale Fund.

**Fund:** means each registered Managed Investment Scheme offered in this PDS.

**Gross Asset Value:** means the sum of the value of all the assets of the Fund, and any other amounts which, in the Responsible Entity's opinion, should be included for the purpose of making a fair and reasonable determination of the value of the Fund having regard to ordinary accounting principles.

**IML:** means Investors Mutual Limited (ABN 14 078 030 752).

**Indirect Cost Ratio (ICR):** means a ratio expressing each Fund's Management Costs that are not deducted directly from an investor's account, to the Fund's total average net assets.

**Investment Grade Credit Rated:** is a credit rating assigned to a security that has been assessed, on criteria determined by a rating agency (eg. Standard and Poor's), as being of strong credit quality.

**Investment Managers:** means the professional investment managers who have been selected by Sandhurst Trustees to manage the investments of the Funds. As at the date of this PDS, the Investment Managers are:

- in relation to the Diversified Funds – the investment managers of the Underlying Managed Investment Schemes (currently being IML,

IOOF/Perennial, MLC and Sandhurst Trustees); and

- in relation to the Sandhurst IML Industrial Share Fund – IML and Sandhurst Trustees.

**IOOF:** means IOOF Investment Management Limited (ABN 53 006 695 021).

**IOOF/Perennial:** the expression given to IOOF and Perennial together acting as an Investment Manager (see page 8).

**Managed Investment Scheme:**

broadly means an arrangement where people contribute money, which is pooled and invested on their behalf to provide benefits for those who have contributed.

**Management Costs:** are the fees and costs incurred by the Fund in managing your investment (refer to page 17 for details).

**MLC:** means MLC Investments Limited (ABN 30 002 641 661).

**Net Asset Value:** is the total assets of a Fund less the total liabilities of the Fund, calculated in accordance with the Fund's Constitution.

**Perennial:** means Perennial Investment Partners Limited (ABN 59 087 901 620).

**Reinvest:** where an investor invests any income generated by their investment back into that investment rather than withdrawing it as a cash receipt.

**Responsible Entity:** means the responsible entity of a registered scheme which must be a public company that holds an AFSL authorising it to operate a Managed Investment Scheme. Sandhurst Trustees Limited (ABN 16 004 030 737) is the Responsible Entity of the Managed Investment Schemes offered in this PDS.

**Underlying Managed Investment**

**Schemes:** means the Managed Investment Schemes in which the Funds invest in order to gain exposure to the Asset Classes. As at the date of this PDS, the Underlying Managed Investment Schemes are:

- in relation to the Diversified Funds – the Managed Investment Schemes, currently managed by IML, IOOF, MLC and Sandhurst Trustees, in which the Funds invest; and
- in relation to the Sandhurst IML Industrial Share Fund – the Sandhurst Industrial Share Fund (ARSN 090 472 325).

## Guide to completing the application form

The following is a guide to assist you in completing the investor details.

### Step 1 Investor details

Please provide the name and contact details for all applicants, including those of a company, partnership or trust (if applicable).

Investor type	Examples of investor details	TFN/ABN required	Who signs step 7
<b>Individual Investor</b>	<b>Investor A</b> Title: Mr Given name: Robert Surname: Brown	<b>Investor A</b>	<b>Investor A</b>
<b>Joint Investors</b>	<b>Investor A</b> Title: Mr Given name: Robert Surname: Brown  <b>Investor B</b> Title: Ms Given name: Mary Surname: Brown	<b>Investor A &amp; B</b>	<b>Investor A &amp; B</b>
<b>Trust</b>	<b>Either</b> <b>Investor A or A and B</b> Trustee Details <b>Or for a corporate trustee</b> <b>Company or other investor name</b> Corporate Trust Details <b>and Account name</b> Trust Name	<b>Trust</b>	<b>Either</b> <b>Investor A or A and B</b> Trustee(s) <b>Or for a corporate trustee</b> <b>Investor A</b> Company Director <b>Investor B</b> Second Company Director or Company Secretary. Company Seal required where applicable.
<b>Superannuation Fund</b>	<b>Either</b> <b>Investor A or A and B</b> Trustee Details <b>Or for a corporate trustee</b> <b>Company or other investor name</b> Corporate Trust Details <b>and Account name</b> Superannuation Fund Name	<b>Superannuation Fund</b>	<b>Either</b> <b>Investor A or A and B</b> Trustee(s) <b>Or for a corporate trustee</b> <b>Investor A</b> Company Director <b>Investor B</b> Second Company Director or Company Secretary. Company Seal required where applicable.
<b>Corporate Investor</b>	<b>Company or other investor name</b> Full Company name	<b>Company</b>	<b>Investor A</b> Company Director <b>Investor B</b> Second Company Director or Company Secretary. Company Seal required where applicable.
<b>Deceased Estate</b>	<b>Investor A or A and B</b> Executor(s) Details <b>Account name</b> Estate Name	<b>The Estate</b>	<b>Investor A or A and B</b> Executor(s)
<b>Minor(s) Under 18</b>	<b>Investor A or A and B</b> Adult(s) Details <b>Account name</b> Minor(s) Details	<b>Adult(s)</b>	<b>Investor A or A and B</b> Adult(s)
<b>Club/ Un-incorporated Body</b>	<b>Company or other investor name</b> Club Name	<b>Club/ Un-incorporated Body</b>	<b>Investor A or A and B</b> Office Bearer(s)

## Step 2 Contact details

All correspondence will be sent to the address nominated.

## Step 3 Tax File Number ("TFN") or Australian Business Number ("ABN")

You do not need to supply your TFN or ABN. However, if you do not supply your TFN or ABN and you do not claim an exemption, we will deduct tax from your income at the highest marginal tax rate plus the Medicare levy.

## Step 4 Income distribution instructions

Please tick the appropriate box if you would like to have your income distributions Reinvested or directly deposited into a financial institution account. Please provide the details of the account where you wish to have your distributions deposited.

If this section is not completed correctly or left blank your distributions will be automatically Reinvested. Please note that distributions will not be paid by cheque.

## Step 5 Investment details

Please choose between the four investment options by entering the investment amount in the appropriate box,.

Initial investments must be a minimum of \$100,000 for each of the Diversified Funds and \$250,000 for the Sandhurst IML Industrial Share Fund. Additional investments must be a minimum of \$10,000 for each of the Funds.

Your cheque must be payable to "Sandhurst - BMWF – [Name of investor]" and crossed "Not Negotiable".

Switches must be a minimum of \$10,000 for each Fund. Tick the "From" box next to the Fund you wish to switch from. Tick the "To" box next to the Fund you wish to switch to.

Mail your completed application and cheque/direct debit request to:

**Bendigo Managed Wholesale Funds**

**Sandhurst Trustees Limited**

5/120 Harbour Esplanade  
Docklands, VIC 3008

## Step 6 Nominated representative facility (optional)

If you wish to nominate someone to operate your account on your behalf, you need to complete this section. Both the investor and the nominated representative need to read the terms and conditions in the PDS and sign this section.

## Step 7 Investor(s) declaration and signature(s)

Please read the PDS thoroughly and then sign the application form. Sandhurst Trustees reserves the right to refuse an application for any reason. Applications will not be accepted unless signed by you personally. If it is signed by your attorney, a certified copy of the relevant power of attorney must be enclosed with your application. If joint investors are applying, all signatures are required.

If signing on behalf of a company please tick the appropriate title.

## Step 8

## Direct Debit Request (optional)

To be completed if you wish to make initial or additional investments via a deduction from your financial institution. Please read the Direct Debit Service Agreement found on page 43 and complete the Direct Debit Request Form.

Please use BLOCK capital letters and tick (✓) boxes where applicable.

This application form is for applying for units offered under the Product Disclosure Statement dated 1 July 2006. Sandhurst Trustees Limited's AFSL No. is 237906. The information in this application form is collected by Sandhurst Trustees which can be contacted on 1800 634 969.

**Please indicate which of the following options you will be using this form for:**

<input type="checkbox"/> <b>Initial Investment</b> (complete steps 1 - 7)	<input type="checkbox"/> <b>Additional Investment</b> (complete steps 1, 5 & 7, or 8)	<input type="checkbox"/> <b>Switching</b> (complete steps 1 - 7)	<input type="checkbox"/> <b>Change of details</b> (complete relevant steps)
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Current portfolio number(s)

<input type="text"/>	<input type="text"/>
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## STEP 1: INVESTOR DETAILS (Please complete all steps for all your initial investments in any of the four Bendigo Managed Wholesale Funds)

### Investor A: For individuals, joint investors or trustees

Title	First Name/Given Name(s)
<input type="text"/>	<input type="text"/>

Surname

Date of Birth	Are you an Australian resident for tax purposes?
<input type="text"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No – State country resident for tax purposes <input type="text"/>

### Investor B: For joint investors or trustees

Title	First Name/Given Name(s)
<input type="text"/>	<input type="text"/>

Surname

Date of Birth	Are you an Australian resident for tax purposes?
<input type="text"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No – State country resident for tax purposes <input type="text"/>

### Company or other investor name (eg: corporate trustee, club)

### Account Name (if investment held on behalf of others eg: Super Fund name, Trust name, Estate name, Minor(s))

## STEP 2: CONTACT DETAILS

Address

City/Suburb/Country	State	Postcode
<input type="text"/>	<input type="text"/>	<input type="text"/>

Telephone (Daytime preferred)	Mobile
<input type="text"/>	<input type="text"/>

Facsimile

Email

Please tick (✓) here if you wish to opt out of our direct mail list  and/or annual report

## STEP 3: TAX FILE NUMBER

I/we authorise the use of this TFN or ABN to the investment for which I am/we are applying. If you are exempt from quoting your TFN or ABN please quote your Exemption Code and provide reasons why you are exempt from doing so.

<b>Investor A: TFN or exemption code</b>	<b>Investor B: TFN or exemption code</b>	<b>OR</b>	<b>Company ABN/Trustee/Super Fund TFN</b>
<input type="text"/>	<input type="text"/>		<input type="text"/>

Reason for exemption (if applicable)	Reason for exemption (if applicable)	Reason for exemption (if applicable)
<input type="text"/>	<input type="text"/>	<input type="text"/>





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**STEP 8: DIRECT DEBIT REQUEST FORM** (for initial investments or additional investments)

**Request for debiting amounts from nominated financial institution accounts by the Direct Debit System**

Please use BLOCK capital letters and please tick (✓) appropriate box.

This Form accompanies the Product Disclosure Statement dated 1 July 2006. Sandhurst Trustees Limited's AFSL No. is 237906.

- This is:  A new direct debit request  
 An alteration to an existing direct debit request (eg a change to account details or investment amount)  
 A request to cancel/stop payments from existing direct debit facility

**INVESTOR DETAILS**

**Investor A Name**

**Investor B Name**

**Address**

**City/Suburb**

**State**

**Postcode**

**DETAILS OF ACCOUNT TO BE DEBITED**

**Name of Financial Institution**

**Branch Address**

**Branch Suburb**

**State**

**Postcode**

**Branch (BSB) Number**

**Account Number**

**Account Name**

Please note: direct debit is not available on the full range of bank accounts. If in doubt, please refer to your bank or financial institution.

**INVESTMENT DETAILS – AMOUNT TO BE DEBITED**

I/We request Sandhurst Trustees (User ID relevant to the appropriate Fund listed below) as Responsible Entity of the Bendigo Managed Wholesale Funds, until further notice in writing, to arrange for funds to be debited from my/our account as described in this schedule and allocate the amount (detailed below) as an initial or additional investment to my/our Fund(s) investment as follows:

<b>FUND</b>	<b>INITIAL OR ADDITIONAL INVESTMENT DIRECT DEBIT AMOUNT</b>	<b>PORTFOLIO NUMBER</b>
Bendigo Conservative Wholesale Fund (User ID 329451)	\$ <input type="text"/>	<input type="text"/>
Bendigo Balanced Wholesale Fund (User ID 329452)	\$ <input type="text"/>	<input type="text"/>
Bendigo Future Growth Wholesale Fund (User ID 329453)	\$ <input type="text"/>	<input type="text"/>
Sandhurst IML Industrial Share Fund (User ID 329597)	\$ <input type="text"/>	<input type="text"/>

Please read the Direct Debit Service Agreement on page 43 and read and sign the declaration overleaf.



## Direct Debit Service Agreement

This Direct Debit Service Agreement is issued by Sandhurst Trustees Limited (“Sandhurst Trustees”) in its capacity as responsible entity for the Bendigo Managed Wholesale Funds (the "Funds"). You should direct all enquiries about your direct debit to our Customer Service Centre on 1800 634 969.

### Our commitment to you

- a) Sandhurst Trustees will give you at least 14 days notice in writing if there are changes to the drawing arrangements.
- b) Sandhurst Trustees will keep information relating to your nominated financial institution account confidential, except where required for the purposes of conducting direct debits with your financial institution.
- c) Where the due date is not a Business Day, Sandhurst Trustees will draw from your nominated financial institution account on the next Business Day.

### Your commitment to us

It is your responsibility to:

- Ensure your nominated account can accept direct debits.
- Ensure there are sufficient funds available in the nominated account to meet each drawing on the due date.
- Advise us if the nominated account is transferred or closed, or the account details change.
- Arrange a suitable payment method if Sandhurst Trustees cancels the drawing arrangements.
- Ensure that all account holders on the nominated financial institution account sign this direct debit request form.

### Your rights

- a) Subject to the terms and conditions of the Funds, you may alter the drawing arrangements. Such advice should be received by Sandhurst Trustees at least seven (7) Business Days before drawing date for any of the following:
  - stopping an individual drawing;
  - deferring a drawing;
  - altering the Direct Debit Request form; and
  - cancelling the drawing completely.

- b) Where you consider that a drawing has been initiated incorrectly, you should contact our Customer Service Centre on 1800 634 969. If you are not happy with our response you can address a formal complaint to the Complaints Officer, Sandhurst Trustees Limited, 5/120 Harbour Esplanade, Docklands, VIC, 3008. You may also contact your financial institution to complete a ‘Direct Debit Claim Request’ form.

### Other Information

- a) The details of your drawing arrangements are contained in the Investment Details section of this form.
- b) Sandhurst Trustees reserves the right to ask that instructions from a customer to stop, or in any way alter the drawing details, are in a written or electronic form.
- c) Sandhurst Trustees reserves the right to cancel drawing arrangements if three consecutive drawings are dishonoured by your financial institution, and to arrange with you an alternate payment method.
- d) The terms and conditions of the Funds account also govern your drawing arrangements.
- e) All bank charges incurred by Sandhurst Trustees arising from a rejection by your bank of a direct debit, processed in accordance with this Direct Debit Request will be payable by you.

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## Contact details

### **Sandhurst Trustees Limited**

Level 5  
120 Harbour Esplanade  
Docklands, VIC 3008

Phone: 1800 634 969  
Facsimile: 1800 835 800

Email:  
[managedfunds@sandhursttrustees.com.au](mailto:managedfunds@sandhursttrustees.com.au)

website: [www.sandhursttrustees.com.au](http://www.sandhursttrustees.com.au)

