



Sandhurst Common Funds

Product Disclosure Statement

Cash Common Fund
Investment Common Fund
Select Mortgage Fund

Dated 25 May 2007

The Responsible Entity of the Sandhurst Common 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.

Issued by **Sandhurst Trustees Limited**

Contact Us

For all queries please contact our Customer Service Centre, from Monday to Friday 8.30am – 5.00pm Victorian time.

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Sandhurst Trustees Limited
PO Box 480
BENDIGO VIC 3552

Email: STLcommonfunds@bendigobank.com.au

Website: www.sandhursttrustees.com.au (select “Products”).

Fund Values and Investment Performance Reports are updated quarterly and are available online.

Sandhurst Trustees Limited, ABN 16 004 030 737, AFSL 237906 is the issuer of interests in the Funds offered in this Product Disclosure Statement (“PDS”). References to “Sandhurst”, “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 “Sandhurst Common Funds”, the “Funds” or individually as the “Fund” and are listed below:

- **Sandhurst Cash Common Fund** (the “Cash Common Fund”) ARSN 090 908 400 APIR STL0001AU;
- **Sandhurst Investment Common Fund** (the “Investment Common Fund”) ARSN 090 908 660;
- **Sandhurst Select Mortgage Fund** (the “Select Mortgage Fund”) ARSN 090 909 069 APIR STL0002AU.

Sandhurst 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 related entities.

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, Bendigo Bank, the Bendigo Bank Group, any Associated Company, or any of their officers, employees or agents.

Importantly, an investment in the Funds is not a deposit or liability with Sandhurst, Bendigo Bank, any Associated Company or any other company in the Bendigo Bank Group. Sandhurst is not an authorised deposit-taking institution within the meaning of the *Banking Act 1959* (Cth).

About this PDS

It is important that you read this PDS carefully before deciding whether to invest and before lodging an application for an interest in any of the Funds. We suggest that you keep this PDS and any supplementary information for future reference. This PDS has been prepared by Sandhurst alone. Words and expressions capitalised in this PDS are defined in the Glossary, see page 30.

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.

If this PDS is received electronically, you should ensure that the complete application form and PDS have been received. If you are unsure whether the electronic document you have received is complete, please contact our Customer Service Centre on 1800 803 173. A printed copy is available free of charge.

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 your particular objectives, financial situation or needs. Before making an investment decision, it is important that you consider these things.

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

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Sandhurst Common Funds

Cash Common Fund

Investment Common Fund

Select Mortgage Fund

About the Funds

A common fund is a trust fund established under state trustee companies legislation and administered by an authorised trustee company such as Sandhurst.

The Sandhurst Common Funds are three separate trust funds that each offer a straightforward and convenient way to invest for capital stability, liquidity and competitive returns.

The three common funds offered in this PDS were established under sections 40 and/or 41 of the *Trustee Companies Act 1984* (Vic).

Sandhurst aims to create wealth for investors by employing a disciplined approach to managing quality assets. This approach means making investment decisions based on our assessment of which authorised assets are likely to maximise the potential for both income and capital stability. To identify quality assets, we combine sound research with good investment judgement. For further information concerning the investment objectives, strategies and policies of the Funds, see pages 5 and 6.

When you invest in any of the Sandhurst Common Funds, your money is pooled with the money of many other investors enabling you to harness the buying power normally exercised by institutional and corporate investors.

For information concerning risks and benefits to investors in the Funds, see pages 3 and 4.

Sandhurst - the Responsible Entity

In addition to being regulated under the *Trustee Companies Act 1984* (Vic), each of the Funds is registered as a Managed Investment Scheme under the Corporations Act.

As the Responsible Entity of the Funds, Sandhurst is responsible for the management and administration of each Fund and its investments.

The Sandhurst Board and management team sets the framework and policies for managing the Funds. As Sandhurst is a wholly owned subsidiary of Bendigo Bank, it is able to utilise the resources and expertise within the Bendigo Bank Group.

Accessing up-to-date investment information

Information contained in this PDS may change from time to time. Unless the changes are materially adverse to investors, we may not always update or replace this PDS to reflect the changes.

For the most up-to-date information on your investment, including quarterly reports providing details of the financial position, the performance of the Funds and current interest rates, you can visit any Bendigo Bank branch or contact us via:

Telephone: 1800 803 173

Facsimile: 1300 850 194

Postal Address:

Sandhurst Common Funds
Sandhurst Trustees Limited
PO Box 480
BENDIGO VIC 3552

Email: STLcommonfunds@bendigobank.com.au

Website: www.sandhursttrustees.com.au

A paper copy of any updated information will be given to you without charge on request.

Benefits of investing in the Funds

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

1. added flexibility for your investment strategy, with a choice of three Funds;
2. Sandhurst's proven long-term performance track record and a reputation for prudent investment management;
3. capital stability as a result of the Funds investing in fixed interest, cash and mortgage securities;
4. competitive interest rates, regular income distributions and low volatility of income returns;
5. the convenience of having part of your portfolio fixed for short to medium terms, or alternatively, fast and easy access to your money when you need it;
6. no application or withdrawal fees, and a competitive management fee*, which means more of your money is working for you;
7. ease of investment – start with an initial investment of just \$2,000 in the Cash Common Fund or \$5,000 in the Select Mortgage Fund or Investment Common Fund; and
8. a traditional service philosophy that treats people as individuals and offers investors personalised and friendly attention.

* In the case of the Investment Common Fund, a performance fee may be payable in addition to the management fee. For more information on fees and other costs please see pages 15 to 20.

Significant Risks of investing in the Funds

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 employs a range of investment and risk management strategies to identify, evaluate and manage these risks.

The significant risks for the Funds and the ways we aim to manage them are discussed on page 4. We cannot eliminate all risks and cannot promise that the ways we manage them will always be successful. If these risks eventuate, your income distributions may be lower than expected or there may be none, and the value of your investment could fall.

Risks associated with the Funds					
Risk	What is the Risk?	How we manage the Risk	Cash Common Fund	Investment Common Fund	Select Mortgage Fund
Interest rate risk	Changes in interest rates can have a positive or negative impact directly or indirectly on investment values or returns.	Sandhurst undertakes some interest rate management strategies through hedging. Hedging is a strategy undertaken with the goal of reducing the risk of loss but which might also reduce the potential gain from an investment. The impacts of interest rate changes are taken into account in managing investments of the portfolios.	✓	✓	✓
Counterparty credit risk	Counterparty credit risk represents the loss that would be recognised if counterparties (ie: the other parties to the contract) failed to perform as contracted.	Sandhurst minimises counterparty credit risk by holding diversified portfolios and only transacting with Investment Grade Credit Rated counterparties.	✓	✓	✓
Mortgage credit risk	Mortgage credit risk represents the risk that a borrower may default on a loan, potentially leading to less than expected income and (should the security not be sufficient) possible loss of capital.	Sandhurst minimises mortgage credit risk by following strict lending criteria (as outlined in the Profile of Funds table on page 6), including ensuring appropriate security is in place to endeavour to cover potential mortgage defaults.		✓	✓
Fund risk	Specific Fund risks include the risk that the Funds could terminate, that fees and costs could change or that investing in the Funds may give different results than investing directly in securities. This is an inherent risk associated with all managed funds.	Sandhurst aims to keep fund risk to a minimum by monitoring the Funds and always acting in your best interests. See the investment strategy of each Fund on page 5.	✓	✓	✓
Individual investment risk	This refers to the inherent risk of an investment made by a Fund. Individual investments (eg: fixed interest securities, mortgage loans) can, and do, fall in value for many reasons including changes in the business environment. This is an inherent risk associated with all managed funds.	Sandhurst aims to reduce these risks by following our strict lending criteria for mortgage loans, investing in only Investment Grade Credit Rated fixed interest securities, through diversified portfolios and use of geographical and concentration limits.	✓	✓	✓
Market risk	This risk relates to the performance of the market as a whole impacting on the Funds' investment returns. Factors that can influence the market include economic, technological, political, taxation and legal conditions and even market sentiment. Changes in such conditions can affect the ability of a borrower to repay a loan, the value of property held as security or the value of fixed interest securities, which in turn may impact the value and returns of the Funds. This is an inherent risk associated with all managed funds.	We undertake research and analysis and adjust the investments of the Funds to reduce the impact of market risk where possible. Diversified portfolios are held to reduce market risk.	✓	✓	✓
Liquidity risk	Mortgage investments are relatively illiquid compared to some other asset classes and delays may occur in converting such investments into cash. This may affect distributions and/or redemptions to investors.	Sandhurst minimises liquidity risk by holding a percentage of the portfolio in liquid investments, such as cash, as outlined in the Asset and Performance tables on pages 10 to 14.		✓	✓

In order to understand the impact of each of these risks, this table should be read in conjunction with the authorised investments of each Fund. Authorised investments are detailed in the Profile of Funds table on page 7.

Sandhurst gives no guarantee of future earnings or that investment capital will be maintained. You should seek professional advice to determine which investment products best meet your needs. There are also significant risks associated with the use of the personal cheque facility such as theft and fraud. Please refer to the 'Personal cheque facility Terms and Conditions', beginning on page 31, for more information on how to manage these risks.

Profile of Funds

Profile of Funds			
	Cash Common Fund	Investment Common Fund	Select Mortgage Fund
<p>Investment objective</p> <p>The objective is not an indication or guarantee of the possible performance of the Fund in the future.</p> <p>Note: this section should be read in conjunction with the risks outlined on pages 3 and 4.</p>	<p>The investment objective of the Cash Common Fund is to offer investors a professional money market style investment with the combination of competitive interest rates (when compared to traditional "at call" style bank accounts), regular income, capital stability and easy access to funds.</p>	<p>The investment objective of the Investment Common Fund is to provide a fixed term investment with capital stability, consistent returns and a choice of investment terms and interest rates by investment of the Fund in a selected portfolio of quality mortgage assets and other securities.</p> <p>The term of the investment must be specified in the application form.</p>	<p>The investment objective of the Select Mortgage Fund is to provide consistent returns, regular income and capital stability by the investment of the Fund in a broad selection of quality mortgage assets and other securities.</p>
<p>Rate of return</p>	<p>The rate of return payable on investments in the Fund will generally move in line with market conditions and money market rates. There is no guarantee of the actual rate of return payable to investors.</p>	<p>At the time of the investment, Sandhurst will set a rate of return (net of all fees and costs) which it will anticipate meeting over the duration of the investment. This is referred to as the Anticipated Return. Sandhurst calculates the Anticipated Return by careful analysis of the Fund's investment income and by considering factors such as economic and market conditions. However, it should be noted that this Anticipated Return reflects the maximum return an investor may receive and is not guaranteed to investors.</p>	<p>At the beginning of each quarter, Sandhurst will announce a rate of return (net of all fees and costs) for the Fund for the following quarter, referred to as the Indicative Rate. Sandhurst calculates the Indicative Rate by careful analysis of the Fund's investment income and by considering factors such as economic and market conditions. However, it should be noted that this Indicative Rate is not guaranteed to investors.</p>
<p>Fund commencement date</p>	November 1987	October 1988	October 1996
<p>Investment strategy</p> <p>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.</p>	<p>Sandhurst aims to achieve the investment objective of the Cash Common Fund by investing in a range of investment grade readily negotiable bank backed securities. We conduct market research and assess changing economic conditions and interest rates in managing our portfolio within our investment criteria. The short-dated securities that form the investment portfolio are selected based on analysis of credit worthiness and value. The investment policy ensures diversification of credit risk, with individual credit limits based on the Standard & Poor's credit rating of the counterparty.</p>	<p>Sandhurst aims to achieve the investment objective of the Investment Common Fund by controlling exposure to risk from interest rate variations and mortgage defaults. Up to 90% of the Investment Common Fund may be invested in first mortgages and mortgage backed securities. Sandhurst makes mortgage advances at fixed rates, variable rates and a combination of both. Further diversification is provided by geographical spread and variation in the type, purpose and use of underlying security properties.</p>	<p>Sandhurst aims to achieve the investment objective of the Select Mortgage Fund by controlling exposure to risk from interest rate variations and mortgage defaults. Up to 90% of the Select Mortgage Fund may be invested in first mortgages and mortgage backed securities. Sandhurst makes mortgage advances at fixed rates, variable rates and a combination of both. Further diversification is provided by geographical spread and variation in the type, purpose and use of underlying security properties.</p>

Profile of Funds (cont.)			
	Cash Common Fund	Investment Common Fund	Select Mortgage Fund
Investment policy	<p>Sandhurst is an experienced investment manager with a high quality investment team committed to delivering value added performance. We conduct significant in-house research and continually monitor our portfolios and manage them according to our views on interest rates and changing economic conditions. Sandhurst sets the investment policies and mandates and delegates the administration of the portfolio to Bendigo Bank.</p> <p>We invest in short-dated securities that meet our investment grade criteria and also deliver what we believe will be an above market return. We only invest in Investment Grade Credit Rated securities which assure the investment portfolio maintains a high level of capital stability. Consistent with the short dated nature of the Fund's investments, Sandhurst has adopted a policy of restricting investments to those which have a maturity of not more than 200 days.</p> <p>We perform daily reviews of the portfolio's performance to market benchmarks, which encourages a proactive approach to portfolio management.</p>	<p>Sandhurst is an experienced manager of loans and cash and is committed to delivering a well managed diversified portfolio of mortgages. Mortgages will be spread across a range of assets including residential, rural, retail and commercial properties.</p> <p>Sandhurst adopts the key principles summarised below in the approval and management of all loans.</p> <p>Lending criteria and borrower's capacity to service and repay</p> <p>We apply strict lending criteria and fully evaluate the borrower's financial stability and ability to service the loan. Our assessment guidelines include consideration of:</p> <ul style="list-style-type: none"> • recent financial statements and/or tax returns; • relevant contracts and/or registrations; • the borrower's credit history; • the type and purpose of the loan; • quality of the underlying security; and • past trading history and business background. <p>There is no requirement for the mortgaged property to be income producing. However, the capability of servicing total loan commitments from current income is expected to be proven.</p> <p>Sandhurst will not invest in mortgages that it regards as speculative in nature or lend or take security over development projects.</p> <p>Adequate security</p> <p>We only make loans where they are secured by a first registered mortgage over real property. Residential property mortgages in excess of two-thirds of the valuation of the mortgaged property will be insured by an approved insurer for the amount by which the two-thirds limit is exceeded. Mortgage advances for commercial properties will not be permitted to exceed two-thirds of the valuation at the time of the advance. Valuations are conducted to determine the current 'fair market value' for mortgage security purposes. Fair market value is defined as: "the estimated amount for which an asset should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."</p> <p>An independent valuer, acceptable to Sandhurst, must in all cases, conduct the valuation of security properties.</p> <p>Loan approval</p> <p>All loan applications are carefully considered by our specialist lending team. Loan approvals are subject to Board approved delegated lending authorities.</p> <p>Administration</p> <p>Sandhurst and its agents have dedicated teams and systems in place to continually manage the loan portfolio. This includes systems that provide timely information to assist with the management of the collection of principal and interest and any arrears.</p>	<p>Sandhurst is an experienced manager of loans and cash and is committed to delivering a well managed diversified portfolio of mortgages. Mortgages will be spread across a range of assets including residential, rural, retail and commercial properties.</p> <p>Sandhurst adopts the key principles summarised below in the approval and management of all loans.</p> <p>Lending criteria and borrower's capacity to service and repay</p> <p>We apply strict lending criteria and fully evaluate the borrower's financial stability and ability to service the loan. Our assessment guidelines include consideration of:</p> <ul style="list-style-type: none"> • recent financial statements and/or tax returns; • relevant contracts and/or registrations; • the borrower's credit history; • the type and purpose of the loan; • quality of the underlying security; and • past trading history and business background. <p>There is no requirement for the mortgaged property to be income producing. However, the capability of servicing total loan commitments from current income is expected to be proven.</p> <p>Sandhurst will not invest in mortgages that it regards as speculative in nature or lend or take security over development projects.</p> <p>Adequate security</p> <p>We only make loans where they are secured by a first registered mortgage over real property. Residential property mortgages in excess of two-thirds of the valuation of the mortgaged property will be insured by an approved insurer for the amount by which the two-thirds limit is exceeded. Mortgage advances for commercial properties will not be permitted to exceed two-thirds of the valuation at the time of the advance. Valuations are conducted to determine the current 'fair market value' for mortgage security purposes. Fair market value is defined as: "the estimated amount for which an asset should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."</p> <p>An independent valuer, acceptable to Sandhurst, must in all cases, conduct the valuation of security properties.</p> <p>Loan approval</p> <p>All loan applications are carefully considered by our specialist lending team. Loan approvals are subject to Board approved delegated lending authorities.</p> <p>Administration</p> <p>Sandhurst and its agents have dedicated teams and systems in place to continually manage the loan portfolio. This includes systems that provide timely information to assist with the management of the collection of principal and interest and any arrears.</p>
Use of derivatives	Derivatives are not used in the Cash Common Fund.	<p>A derivative is a financial product that has a value derived from another asset (such as a security, index or commodity). Investors can use derivatives in a number of ways including to manage many of the risks associated with investing. Derivatives include such financial products as futures and options contracts and interest rate swap agreements. We may use derivatives for hedging purposes, for implementing portfolio positions and to help manage interest rate risk. We do not intend to use derivatives to gear the Funds and we intend to manage the Funds so that they will have sufficient cash to meet any derivative obligations they acquire.</p>	<p>A derivative is a financial product that has a value derived from another asset (such as a security, index or commodity). Investors can use derivatives in a number of ways including to manage many of the risks associated with investing. Derivatives include such financial products as futures and options contracts and interest rate swap agreements. We may use derivatives for hedging purposes, for implementing portfolio positions and to help manage interest rate risk. We do not intend to use derivatives to gear the Funds and we intend to manage the Funds so that they will have sufficient cash to meet any derivative obligations they acquire.</p>

Profile of Funds (cont.)			
	Cash Common Fund	Investment Common Fund	Select Mortgage Fund
Authorised investments	<p>The authorised investments of the Cash Common Fund include the following highly secure investment classes:</p> <ul style="list-style-type: none"> • a bank accepted or bank endorsed bill of exchange which at the time of acquisition has a maturity date of not more than 200 days; • certificate of deposit issued by a bank whether negotiable, convertible or otherwise; and • a deposit or term deposit with a bank. 	<p>The authorised investments of the Investment Common Fund include the following highly secure investment classes:</p> <ul style="list-style-type: none"> • a first mortgage of land in any State or Territory of the Commonwealth of Australia; • mortgage backed securities; • a bank accepted or bank endorsed bill of exchange which at the time of acquisition has a maturity date of not more than 200 days; • a certificate of deposit issued by a bank whether negotiable, convertible or otherwise; and • a deposit or term deposit with a bank. 	<p>The authorised investments of the Select Mortgage Fund include the following highly secure investment classes:</p> <ul style="list-style-type: none"> • a first mortgage of land in any State or Territory of the Commonwealth of Australia; • mortgage backed securities; • a bank accepted or bank endorsed bill of exchange which at the time of acquisition has a maturity date of not more than 200 days; • a certificate of deposit issued by a bank whether negotiable, convertible or otherwise; and • a deposit or term deposit with a bank.
Income distributions	<p>Interest income is payable to investors quarterly and is calculated on your daily investment balance. Interest income is calculated using a simple interest methodology.</p> <p>After deduction of all fees and costs, all interest income of the Cash Common Fund is distributed to investors. Interest income is credited to investors on the first Business Day of January, April, July and October or upon full withdrawal of your investment, and is normally received within 7 days.</p> <p>There is no guarantee of the actual rate of return payable to investors.</p>	<p>Interest income is calculated daily. Interest income is payable to the investors at maturity of the investment, or at an agreed frequency. Interest income is calculated using a simple interest methodology.</p> <p>Sandhurst will nominate an Anticipated Return payable to the investor at the commencement of the investment. However, the actual rate of return payable may be lower, but not higher, than this Anticipated Return. Any interest income above the Anticipated Return is paid as a performance fee to Sandhurst (see page 17 for further details).</p> <p>Sandhurst does not guarantee the payment of the Anticipated Return to investors.</p>	<p>Interest income is payable to investors quarterly and is calculated on your daily investment balance. Interest income is calculated using a simple interest methodology.</p> <p>After deduction of all fees and costs, all interest income of the Select Mortgage Fund is distributed as a quarterly payment to investors. If you withdraw your investment before the distribution date, Sandhurst will use the Indicative Rate to calculate your interest income entitlement for the period of your investment in the Fund. Sandhurst does not guarantee the payment of the Indicative Rate to investors.</p> <p>Interest income is credited to investors on the first Business Day of January, April, July and October or upon full withdrawal of your investment, and is normally received within 7 days.</p>
Income payment options	<p>You can choose to receive your income distribution in any of the following convenient ways:</p> <ol style="list-style-type: none"> 1. Reinvestment – automatically reinvested as they fall due. 2. Direct credit – credited to your financial institution's account. 3. By cheque. <p>If you do not make a choice, your income distributions are automatically reinvested. All three options are available for each Fund.</p>		
Income payment frequency	Quarterly	At maturity or agreed frequency	Quarterly

Profile of Funds (cont.)

	Cash Common Fund	Investment Common Fund	Select Mortgage Fund
Access to current performance	For the most up-to-date information, including the rates of return, quarterly reports providing details of the financial position and the performance of the Funds, you can contact us via: <ul style="list-style-type: none"> • website: www.sandhursttrustees.com.au; • telephone: 1800 803 173 (Mon-Fri 8.30am-5.00pm Victorian time); or • visiting any branch of the Bendigo Bank. A paper copy of any updated information will be provided to you without charge upon request.		
Minimum initial investment	\$2,000	\$5,000	\$5,000
Minimum additional investments	There is no minimum amount for additional deposits.	Not applicable. A new application form is required for each additional investment, which is treated as a new investment for the specific term that you select. If you wish to rollover your investment, a new application form is not required.	\$500 Additional investments of less than \$500 to the Select Mortgage Fund are permitted if they represent income distributions, dividend payments, or direct credit from other accounts.
Minimum holding	\$2,000	\$5,000	\$2,000
Minimum withdrawal	None	None. Investors in the Fund do not have withdrawal rights unless they have a Rainy Day Access Account (see below).	None
Term and withdrawals	Same day access. As a result, investors have the flexibility to move funds quickly to other investments in response to market opportunities. Note: Notice is required before 11.00am for same day withdrawals over \$500,000.	Investments are fixed for terms between 3 months and 5 years. Early withdrawal may be available at Sandhurst's discretion in special circumstances (see page 22 for details). The Investment Common Fund provides an innovative benefit if you invest for a term of three years. By nominating the investment as a "Rainy Day Access Account", you have same day access to 25% of your initial investment at any time during the term. Note: Notice is required before 11.00am for same day withdrawals over \$500,000 from the Rainy Day Access Account.	The initial investment and each subsequent investment is fixed for a minimum of 90 days then has same day access. Note: Notice is required before 11.00am for same day withdrawals over \$500,000.
Investment record	Investors have the option of a passbook that may be updated at any Bendigo Bank branch, or an investment statement, issued quarterly.	Investors are given an investment certificate showing the amount of the investment, the Anticipated Return chosen and the term of the investment.	Investors have the option of a passbook that may be updated at any Bendigo Bank branch, or an investment statement, issued quarterly.

Profile of Funds (cont.)			
	Cash Common Fund	Investment Common Fund	Select Mortgage Fund
<p>e-banking services Sandhurst utilises the e-banking service of Bendigo Bank Limited</p>	<p>Some of the current features available for investors in the Fund through Bendigo Bank Limited e-banking include:</p> <ul style="list-style-type: none"> review the balances of nominated Cash Common Fund investments to determine the available balance; transfer funds between nominated Bendigo Bank accounts and your Cash Common Fund investment and arrange recurring or future specific date fund transfers (transfers are subject to available funds at the designated time of transfer and any minimum/maximum transfer restrictions); transfer funds using the Pay Anyone Service to any account at any financial institution within Australia that is identified by a valid BSB number and account number; make BPAY® payments; review transaction history of nominated accounts; perform selected transaction enquiries; access Secure Email which enables you to send and receive (secure) messages to and from internal Bendigo Bank departments; and access Account Notification which allows you to establish account balance thresholds and to nominate methods (including fax and/or email) for notification if thresholds are exceeded. <p>Each additional investment will be made on the terms of the most up-to-date PDS (see page 2 for information on how to obtain a current PDS).</p> <p>® Registered to BPAY Pty Ltd ABN 69 079 137 518</p>	<p>Some of the current features available for investors in the Fund through Bendigo Bank Limited e-banking include:</p> <ul style="list-style-type: none"> review the balances of nominated Investment Common Fund investments; review transaction history of nominated accounts; and access Secure Email which enables you to send and receive (secure) messages to and from internal Bendigo Bank departments. <p>Investors do not have the option of adding to or withdrawing funds from their interests in the Investment Common Fund via e-banking.</p>	<p>Some of the current features available for investors in the Fund through Bendigo Bank Limited e-banking include:</p> <ul style="list-style-type: none"> review the balances of nominated Select Mortgage Fund investments to determine the available balance; transfer funds from nominated Bendigo Bank accounts and arrange recurring or future specific date fund transfers to your Select Mortgage Fund investment (transfers are subject to available funds at the designated time of transfer and any minimum/maximum transfer restrictions); review transaction history of nominated accounts; perform selected transaction enquiries; access Secure Email which enables you to send and receive (secure) messages to and from internal Bendigo Bank departments; and access Account Notification which allows you to establish account balance thresholds and to nominate methods (including fax and/or email) for notification if thresholds are exceeded. <p>Investors do not have the option of withdrawing funds from their interests in the Select Mortgage Fund via e-banking.</p> <p>Each additional investment will be made on the terms of the most up-to-date PDS (see page 2 for information on how to obtain a current PDS).</p>
<p>For the Terms and Conditions of Bendigo e-banking, refer to the Bendigo Personal Accounts and Facilities Terms and Conditions which is made up of three parts and/or the Bendigo Business Accounts and Facilities Terms and Conditions which is made up of three parts. You must read parts one, two and three of the applicable Terms and Conditions to have a complete Terms and Conditions document.</p> <p>Please contact your nearest Bendigo Bank branch or phone 1300 366 666 to arrange for them to be sent to you. These documents can also be found in any Bendigo Bank branch or on the website www.bendigobank.com.au.</p> <p>To view a demonstration of current e-banking features, please logon to www.bendigobank.com.au (select "e-banking logon/online demo").</p>			

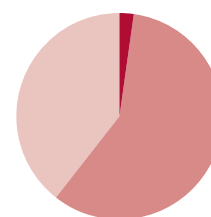
Sandhurst Cash Common Fund

Assets and performance as at 31 March 2007

The Sandhurst Cash Common Fund Investment Profile

Investment Profile as at 31 March 2007	
Negotiable Certificates of Deposit	\$87,393,593
Bank bills	\$58,668,322
Cash at bank	\$3,681,183
Total investments	\$149,743,098
Number of investors	6,169
Investment	% of Portfolio
Negotiable Certificates of Deposit	58.4%
Bank bills	39.2%
Cash at bank	2.4%
Total	100%
Past performance [^]	
Year ended	Return to investors (p.a)
30.6.06	4.71%
30.6.05	4.54%
30.6.04	4.19%
30.6.03	3.82%
[^] Performance is calculated after fees and costs and assumes reinvestment of income. These figures represent past performance and are not an indication of future performance.	

Fund Investment Portfolio



- Cash at Bank 2.4%
- Negotiable Certificates of Deposit 58.4%
- Bank Bills 39.2%

The information on this page is updated on a quarterly basis and can be accessed on our website www.sandhursttrustees.com.au or by contacting us. Refer to inside front cover for details.

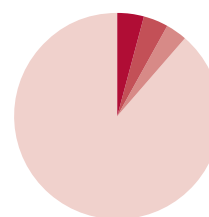
Sandhurst Investment Common Fund

Assets and performance as at 31 March 2007

The Sandhurst Investment Common Fund Investment Profile

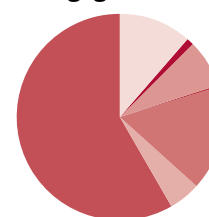
Investment Profile as at 31 March 2007			
Cash and short term investments	\$21,901,918		
Mortgage loans	\$170,348,421		
Total investments (net asset value)	\$192,250,339		
Mortgage analysis			
Number of loans	463		
Average loan size	\$367,923		
Largest loan	\$9,565,000		
Average loan to value ratio	52.46%		
Number of investors	7,390		
Mortgage portfolio – Payments in arrears			
Days in arrears	Principal	Payments in arrears	Number of loans
30-59 days	\$0	\$0	0
60-89 days	\$108,323	\$1,406	1
90 days and over	\$533,295	\$19,257	3
All the above payments in arrears are considered to be recoverable and no loss of interest or principal is anticipated.			
Fixed/Variable loan interest rate split			
Fixed	\$136,629,928		
Variable	\$33,718,493		
Undrawn loan commitments at 31 March 2007			
Anticipated future drawdowns as at 31 March 2007	Nil		
Past performance[^]			
The Investment Common Fund provides a choice of investment terms. Historic performance therefore varies depending on the term selected.			
[^] Performance is calculated after fees and costs and assumes reinvestment of income. Past performance is not an indication of future performance.			

Fund Investment Portfolio



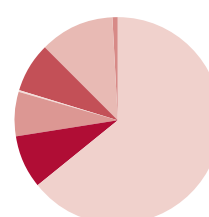
- Cash at Bank 4.2%
- Negotiable Certificates of Deposit 4.1%
- Bank Bills 3.1%
- First Mortgages 88.6%

Mortgage Assets by Security Type



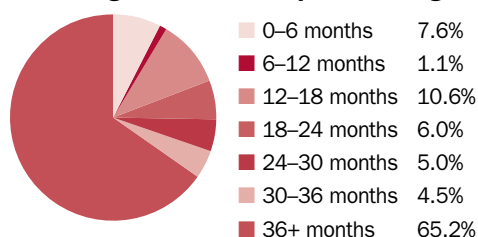
- Rural 11.4%
- Rural Residential 1.2%
- Hotel/Motel 7.5%
- Industrial 0.2%
- Owner Occupied Residential 16.4%
- Residential Investment 5.2%
- Commercial 58.1%

Mortgage Assets Geographic Profile

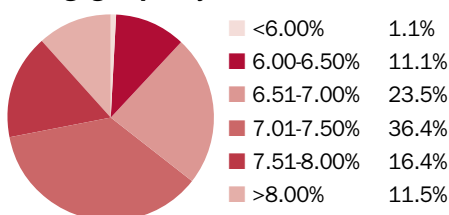


- VIC 64.3%
- WA 8.3%
- NSW 7.1%
- ACT 0.1%
- NT 0.0%
- QLD 7.7%
- SA 11.8%
- TAS 0.7%

Percentage of Loan Principal Maturing



Mortgage Split by Interest Rate



To maintain liquidity, approximately 10% of the Fund will be held in cash and readily negotiated assets including negotiable certificates of deposit and bank bills.

The information on this page is updated on a quarterly basis and can be accessed on our website www.sandhursttrustees.com.au or by contacting us. Refer to inside front cover for details.

The Sandhurst Investment Common Fund – Anticipated Returns

As at 1 May 2007

Term	Interest	Anticipated Return
3 Months	On Maturity	5.75% p.a.
6 Months	On Maturity	5.95% p.a.
1 Year	On Maturity	6.30% p.a.
1 Year	Half Yearly	6.20% p.a.
1 Year	Quarterly	6.15% p.a.
1 Year	Monthly	6.10% p.a.
2 Years	On Maturity	6.55% p.a.*
2 Years	Yearly	6.35% p.a.
2 Years	Half Yearly	6.25% p.a.
2 Years	Quarterly	6.20% p.a.
2 Years	Monthly	6.15% p.a.
3 Years	On Maturity	6.80% p.a.*
3 Years	Yearly	6.40% p.a.
3 Years	Half Yearly	6.30% p.a.
3 Years	Quarterly	6.25% p.a.
3 Years	Monthly	6.20% p.a.
4 Years	On Maturity	7.05% p.a.*
4 Years	Yearly	6.40% p.a.
4 Years	Half Yearly	6.30% p.a.
4 Years	Quarterly	6.25% p.a.
5 Years	On Maturity	7.25% p.a.*
5 Years	Yearly	6.40% p.a.
5 Years	Half Yearly	6.30% p.a.
5 Years	Quarterly	6.25% p.a.

* Interest calculated daily on simple interest basis and paid on maturity.

These Anticipated Returns are current as at 1 May 2007 and are subject to change from time to time. Unless the changes are materially adverse, we may not always update or replace this PDS to reflect the changes. It should be noted that these Anticipated Returns reflect the maximum return an investor may receive and are not guaranteed to investors. For the most up-to-date information on Anticipated Returns, please contact our Customer Service Centre on 1800 803 173 or visit our website www.sandhursttrustees.com.au (select "Products"). Please see page 2 on how to obtain up-to-date information.

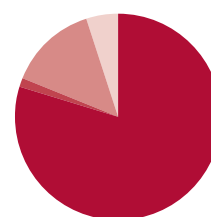
Sandhurst Select Mortgage Fund

Assets and performance as at 31 March 2007

The Sandhurst Select Mortgage Fund Investment Profile

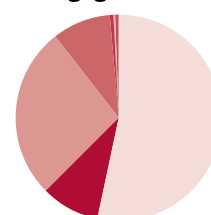
Investment Profile as at 31 March 2007			
Cash and short term investments	\$403,016,703		
Mortgage loans	\$1,599,648,451		
Total investments (net asset value)	\$2,002,665,154		
Mortgage analysis			
Number of loans	9,811		
Average loan size	\$163,046		
Largest loan	\$12,000,000		
Average loan to value ratio	52.82%		
Number of investors	33,187		
Mortgage portfolio – Payments in arrears			
Days in arrears	Principal	Payments in arrears	Number of loans
30-59 days	\$3,012,782	\$28,162	22
60-89 days	\$1,838,700	\$23,225	12
90 days and over	\$5,198,483	\$98,801	43
All the above payments in arrears are considered to be recoverable and no loss of interest or principal is anticipated.			
Fixed/Variable loan interest rate split			
Fixed	\$687,192,021		
Variable	\$912,456,430		
Undrawn loan commitments at 31 March 2007			
Anticipated future drawdowns as at 31 March 2007	\$60,427,250		
Past performance[^]			
Year ended	Return to investors (p.a)	Indicative Rate (p.a)	
30.6.06	5.76%	5.75%	
30.6.05	5.61%	5.59%	
30.6.04	5.25%	5.15%	
30.6.03	4.86%	4.82%	
[^] Performance is calculated after fees and costs and assumes reinvestment of income. These figures represent past performance and are not an indication of future performance.			

Fund Investment Portfolio



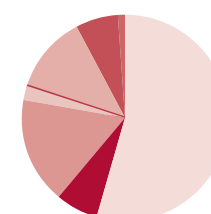
- First Mortgages 79.9%
- Cash at Bank 1.4%
- Negotiable Certificates of Deposit 13.7%
- Bank Bills 5.0%

Mortgage Assets by Security Type



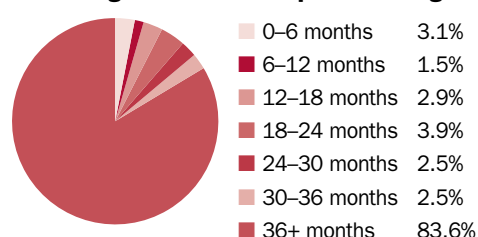
- Owner Occupied Residential 53.4%
- Residential Investment 9.3%
- Commercial 27.0%
- Rural 9.0%
- Rural Residential 0.5%
- Hotel/Motel 0.3%
- Industrial 0.5%

Mortgage Assets Geographic Profile

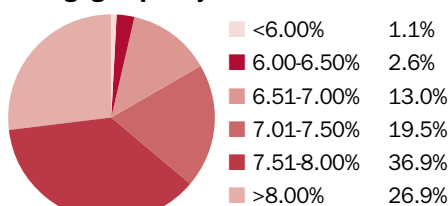


- VIC 54.5%
- WA 6.7%
- NSW 16.6%
- ACT 2.2%
- NT 0.2%
- QLD 12.1%
- SA 6.6%
- TAS 1.1%

Percentage of Loan Principal Maturing



Mortgage Split by Interest Rate



To maintain liquidity, approximately 10% of the Fund will be held in cash and readily negotiated assets including negotiable certificates of deposit and bank bills.

The information on this page is updated on a quarterly basis and can be accessed on our website www.sandhursttrustees.com.au or by contacting us. Refer to inside front cover for details.

The Sandhurst Select Mortgage Fund – Indicative Rate

Indicative Rate (p.a.) for the quarter ending 30 June 2007	
6.35%	<p>This Indicative Rate is subject to change from time to time and is updated quarterly. Unless the changes are materially adverse, we may not always update or replace this PDS to reflect the changes. It should be noted that this Indicative Rate is not guaranteed to investors.</p> <p>For the most up-to-date information on the Indicative Rate, please contact our Customer Service Centre on 1800 803 173 or visit our website: www.sandhursttrustees.com.au (select "Products")</p> <p>Please see page 2 on how to obtain up-to-date information.</p>

The information on this page is updated on a quarterly basis and can be accessed on our website www.sandhursttrustees.com.au or by contacting us. Refer to inside front cover for details.

Fees and other costs

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

Relevant taxation information is set out on page 24. You should read all of the information about fees and costs, because it is important to understand their impact on your investment. All fees and other costs set out in the table on the following pages are expressed inclusive of Goods and Services Tax (GST), less the maximum applicable reduced input tax credits (please refer to page 24 for more information).

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 advisor.

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 has a managed investment fee calculator to help you check out different fee options.

Type of fee or cost	Amount	How & when paid
Fees when your money moves in or out of the Fund		
Establishment fee: The fee to open your investment.	Nil	Not applicable
Contribution fee: The fee on each amount contributed to your investment.	Nil	Not applicable
Withdrawal fee: The fee on each amount you take out of your investment.	Cash Common Fund	
	Nil unless withdrawal made using the personal cheque facility.*	Not applicable unless withdrawal is made using the personal cheque facility.*
	Investment Common Fund	
	Nil	Not applicable
	Select Mortgage Fund	
Nil	Not applicable	
Termination fee: The fee to close your investment.	Nil	Not applicable
Management Costs		
The fees and costs for managing your investment.#	Cash Common Fund	
	<p>Estimated to be 1.03% per annum (that is \$103 per \$10,000) consisting of:</p> <ul style="list-style-type: none"> • An investment management fee of 1.00% per annum of the net asset value of the Fund; <p>Plus</p> <ul style="list-style-type: none"> • Expense recoveries estimated at 0.03% per annum of the net asset value of the Fund. 	<p>The investment management fee is payable out of the income of the Fund, calculated daily on the net asset value of the Fund and paid monthly in arrears.</p> <p>The expense recoveries are paid from the Fund as they are incurred. Expense recoveries are the estimate of the out-of-pocket expenses we are entitled to recover from the Fund (eg. audit, taxation, PDS costs, legal, third party administrator fees, stationery, postage and compliance costs).</p>

* See 'Fees and costs for the personal cheque facility' under the heading 'Additional explanation of fees and costs' on page 18.

This fee includes an amount payable to an adviser see 'Commissions payable to advisers' under the heading 'Additional explanation of fees and costs' on page 20.

Type of fee or cost	Amount	How & when paid
Management costs		
The fees and costs for managing your investment.#	Investment Common Fund	
	<p>Estimated to be 1.70% per annum (that is \$170 per \$10,000) consisting of:</p> <ul style="list-style-type: none"> An investment management fee of 1.01% per annum of the net asset value of the Fund; <p>Plus</p> <ul style="list-style-type: none"> Expense recoveries estimated at 0.03% per annum of the net asset value of the Fund. This fee has a direct impact on the performance fee received by Sandhurst. The higher the expense recoveries, the lower the potential performance fee. <p>Plus</p> <ul style="list-style-type: none"> Performance Fee 0.66% per annum on the net asset value of the Fund. This performance fee is an estimate only, based on the actual performance fee paid for the 12 months to 30/09/06. It is an additional margin after deduction of the management fee and expense recoveries (refer to page 19). 	<p>The investment management fee is payable out of the income of the Fund, calculated daily on the net asset value of the Fund and paid monthly.</p> <p>The expense recoveries are paid from the Fund as they are incurred. Expense recoveries are the estimate of the out-of-pocket expenses we are entitled to recover from the Fund (eg: loan origination and management fees, audit, taxation, PDS costs, legal, third party administrator fees, stationery, postage and compliance costs).</p> <p>The performance fee is payable from the income of the Fund and is paid monthly.</p>
The fees and costs for managing your investment.#	Select Mortgage Fund	
	<p>Estimated to be 1.16% per annum (that is \$116 per \$10,000) consisting of:</p> <ul style="list-style-type: none"> An investment management fee of 1.01% per annum of the net asset value of the Fund; <p>Plus</p> <ul style="list-style-type: none"> Expense recoveries estimated at 0.15% per annum of the net asset value of the Fund. 	<p>The investment management fee is payable out of the income of the Fund, calculated daily on the net asset value of the Fund and paid monthly.</p> <p>The expense recoveries are paid from the Fund as they are incurred. Expense recoveries are the estimate of the out-of-pocket expenses we are entitled to recover from the Fund (eg: loan origination and management fees, audit, taxation, PDS costs, legal, third party administrator fees, stationery, postage and compliance costs).</p>
Service Fees		
Investment Switching fee: The fee for changing investment options.	Nil	Not applicable
Fees and costs for the personal cheque facility: These are the fees that may be charged if you elect to use the personal cheque facility.	The personal cheque facility is only available with the Cash Common Fund. Please refer to page 18 in the 'Additional explanation of fees and costs' section for an explanation of the fees and costs associated with the personal cheque facility.	

This fee includes an amount payable to an adviser see 'Commissions payable to advisers' under the heading 'Additional explanation of fees and costs' on page 20.

Additional explanation of fees and costs

Fees and costs for the personal cheque facility

For the investors in the Cash Common Fund, an optional personal cheque facility is available. The table below shows the fees and costs that you may be charged for the personal cheque facility.

See Personal Cheque Facility Terms and Conditions on pages 31 and 32, in particular clause 7.

Type of fee or cost	Amount	How & when paid
Withdrawal fee: This fee is payable each time you make a withdrawal using the personal cheque facility.	\$0.40 for each withdrawal	This fee will be deducted from your balance in the Fund. This will occur on the first of January, April, July and October or when you make a full withdrawal of your interest in the Fund.
Stopped cheque fee: This fee is payable when you request either us or Bendigo Bank to stop payment on a personal cheque.	\$5.00 for each cheque stopped	This fee will be deducted from your balance in the Fund. This will occur when you make the request to stop payment.
Dishonoured cheque fee: This fee is payable when a cheque which is drawn by you is dishonoured by Bendigo Bank. A cheque may be dishonoured for any number of reasons, including that the cheque has not been signed properly or the words do not correspond to the written figures.	\$40.00 for each cheque dishonoured	This fee will be deducted from your balance in the Fund. This will occur when the cheque is dishonoured.

Example of annual fees and costs – Select Mortgage Fund

This table gives an example of how the fees and costs of the Select Mortgage 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 – Select Mortgage Fund		Balance of \$50,000 with a contribution of \$5,000 during year.
Contribution Fees	Nil	For every additional \$5,000 you put in, you will be charged \$0
PLUS Management Costs	1.16%	AND , for every \$50,000 you have in the Fund, you will be charged \$580 each year.
EQUALS Cost of Fund		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees of from: <p style="text-align: center;">\$580 to \$638.*</p> What it costs you will depend on the investment option you choose and the fees you negotiate with your fund or financial adviser.

* Includes the Management Costs on the additional contribution and assumes the additional \$5,000 was contributed at the beginning of the year.

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, 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 as Responsible Entity. The Constitutions of the Funds also allow Sandhurst to recover all proper expenses incurred in administering the Funds.

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, it is the total of Management Costs (that is, ongoing fees and costs of the relevant Fund) 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, any performance fees and certain other expenses but excludes fund transaction costs that would be incurred by someone investing directly in the underlying assets. Transaction costs are built into the price of the asset(s) purchased or sold and are, therefore, borne by the Fund.

The ICR (inclusive of GST and net of any reduced input tax credits) for the year ended 30 September 2006 for each of the Funds was as follows:

- Cash Common Fund 1.03% (2005: 1.04%);
- Investment Common Fund 1.70% (2005: 1.62%);
- Select Mortgage Fund 1.16% (2005: 1.15%).

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

Maximum charges

The Constitution for each Fund provides for a maximum investment management fee of 1% of capital sums invested plus GST (which is currently the equivalent of 1.00% for the Cash Common Fund, 1.01% for the Investment Common Fund and 1.01% for the Select Mortgage Fund, of the average net

asset value of the relevant Fund). The Constitution for each Fund does not specify a maximum amount that can be charged in relation to expense recoveries. We generally have the right to recover all proper expenses from the Funds.

The Investment Common Fund offers term deposits with an Anticipated Return for an agreed fixed term. Sandhurst will nominate the Anticipated Return at the commencement of the term. At the end of the term the return earned by the Fund (up to the Anticipated Return), net of fees and costs as disclosed on page 17, is paid to investors. Any return made above the Anticipated Return is paid as a performance fee to Sandhurst. The maximum performance fee payable under the Constitution to Sandhurst is the amount by which income is greater than the Anticipated Return payable to investors. The performance fee for the year ended 30 September 2006 was 0.66% of the net asset value of the Fund.

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 (other than estimated expense recoveries), may only increase after prior notice is given as set out in the paragraph below.

Investors are 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 (except for investors in the Investment Common Fund), if desired.

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

Differential fee arrangements

Sandhurst may offer rebates of management fees to wholesale investors on an individually negotiated basis in accordance with the relevant law.

We do not negotiate fees with retail investors.

Commissions payable to advisers

Sandhurst may pay to its agents, distributors (including 'internet advisory services') or licensed financial advisers (which may include members of the Bendigo Bank Group and its Associated Companies) a fee or ongoing commission out of its own resources.

Any commission paid by Sandhurst 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's discretion.

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 such fee or commission will be set out in the Financial Services Guide and/or Statement of Advice which your adviser or internet advisory service will give you. However, typically, Sandhurst may pay to your adviser or internet advisory service up to 0.385% per annum (inclusive of GST) of the net asset value of your investment.

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 inclusive of GST, less the maximum applicable RITCs.

For the purposes of this PDS, it has been assumed that Sandhurst 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 the section 'Can the fees change?' on page 19.

Investments in related products

Cash investments of a Fund may be held in Bendigo Bank deposit accounts. Fees and costs 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 for each Fund.

Refer also to 'Our relationship with the Bendigo Bank' on page 26.

How the Funds work

New investments

Investing in the Sandhurst Common Funds is a simple two-step procedure.

1. Select the Fund or combination of Funds that best suits your investment needs.
2. Complete the application form(s) contained in this PDS and lodge it/them along with your cheque:
 - **In Person**
At any Bendigo Bank branch or with your financial adviser.
 - **By Mail**
You can mail your application form directly to us (see below).

Applications lodged by mail

If you (and your nominated representative, if applicable) are lodging your application form through the mail, please complete the 'Identification record for a signatory to an account' form and have it signed by an 'Acceptable Referee' as listed on page 40. Refer to Step 9 on page 34 for further details.

Sandhurst will issue you with a passbook, investment statement or investment certificate, depending on the Fund and the preference you indicate when completing the investment application form.

Additional investments –

Cash Common Fund and Select Mortgage Fund

There are a number of convenient ways to add to your Cash Common Fund and/or Select Mortgage Fund investment:

- **In Person**

At any Bendigo Bank branch.

- **By Mail**

If you are lodging your request via mail, please write a letter of instruction including: your full name, address, account number, signature of account holder and cheque crossed “not negotiable” and made payable to Sandhurst Trustees Limited. Refer to Step 9 on page 34 for further details.

If you plan to make an additional investment in the Cash Common Fund and/or the Select Mortgage Fund you should obtain a copy of the most up-to-date PDS and any information that updates the PDS for future reference. Each additional investment will be made on the terms of the most up-to-date PDS.

A new application form does not need to be completed to make additional investments in the Cash Common Fund and/or Select Mortgage Fund.

Copies of the most up-to-date PDS are available free of charge from Sandhurst by phoning 1800 803 173 or via our website www.sandhursttrustees.com.au (select “Products”).

Rollover of investments – Investment Common Fund

If you invest in the Investment Common Fund, we will send you an investment review letter before the maturity date of your investment, which will advise you that your investment term is due to expire. The letter will contain the following information:

- opening and closing balance for the investment term;
- amount to be deposited on renewal;
- a summary of all transactions in relation to your investment during the investment term; and
- interest earned on the account.

It will also set out the new Anticipated Return that will apply to your investment if you choose to renew your investment for the same term or if it is automatically renewed.

Before the maturity date you may contact us to provide instructions regarding your investment. At this time you may instruct us to renew your investment, reinvest your funds for a different investment term, or you may advise us you wish to close the account or withdraw part of your funds.

On the maturity date, we will automatically renew your investment (that is, the balance standing to the credit of your account) for a period equal to that of the previous investment term, at the Anticipated Return applying to the particular investment term on the maturity date, unless we receive written instructions to the contrary before this date.

A new application form does not need to be completed to rollover your investment in the Investment Common Fund.

If you plan to rollover your investment in the Investment Common Fund, you should obtain a copy of the most up-to-date PDS and any information that updates the PDS for future reference. Each rollover will be made on the terms of the most up-to-date PDS.

Copies of the most up-to-date PDS are available free of charge from Sandhurst by phoning 1800 803 173 or via our website: www.sandhursttrustees.com.au (select “Products”).

When does my investment start earning interest?

Investments in the Funds received at any Bendigo Bank branch before 3.00pm will accrue income from the day of receipt. Otherwise income will accrue from the following Business Day.

Periodic reporting

Sandhurst will provide you with a transaction statement in respect of your investment periodically, or on your request. In addition, you can obtain confirmation of transactions by:

1. using the e-banking services (which are described at page 9); or
2. passbook holders – presenting their passbook for updating at any Bendigo Bank branch.

Accessing your money

Cash Common Fund

Same day withdrawals from the Cash Common Fund can generally be made.

Select Mortgage Fund

After expiry of the initial 90 day fixed term, for an investment in the Select Mortgage Fund, same day withdrawals can generally be made. Under the Constitution, Sandhurst must satisfy a withdrawal request as soon as practicable (but no more than 12 months), following the receipt of a valid redemption request.

If you withdraw your investment from the Select Mortgage Fund before the distribution date, Sandhurst will use the Indicative Rate to calculate your income entitlement for the time of your investment in the Fund.

Sandhurst may, at its discretion, consider an early withdrawal request from the Select Mortgage Fund under special circumstances.

Investment Common Fund

Withdrawals are not permitted from the Investment Common Fund before maturity unless you have a Rainy Day Access Account, in which case 25% of the initial investment is available to you at any time.

Sandhurst may, at its discretion, consider an early withdrawal request from the Investment Common Fund under special circumstances.

Sandhurst reserves the right to reduce the rate of return payable on the investment should it consent to an early withdrawal.

Cash Common Fund, Investment Common Fund, Select Mortgage Fund

Sandhurst may delay or refuse a redemption request if in Sandhurst's reasonable opinion it is in the best interests of investors as a whole to do so.

Interest is payable on the balance of your investment up until the end of the previous day.

Withdrawals over \$500,000 from any of the three Funds will require notice before 11am on the day funds are required.

Payment methods

Sandhurst offers a range of options which enable you to access your funds:

- **In Person**
At any Bendigo Bank branch (payable by cheque only).
- **By Mail**
If your withdrawal request is received by mail, we will forward a cheque to you or deposit the amount directly into your nominated financial institution's account as per your instructions.

The following options are only available for the Cash Common Fund:

- **Personal Cheque Facility**
You can withdraw from the Cash Common Fund using the optional personal cheque facility. Refer to pages 31 and 32 for the Terms and Conditions of this facility.
- **Bendigo e-banking – Pay Anyone***
The Pay Anyone Service provides the convenience of being able to transfer funds to an account with any financial institution in Australia, identified with a valid BSB number.
- **Bendigo e-banking – BPAY***
The BPAY facility offers you the convenience of being able to pay your bills at any time and place you wish, 24 hours a day.

Please contact your nearest Bendigo Bank branch or phone 1300 366 666 to arrange for the Terms and Conditions to be sent to you. These documents can also be found in any Bendigo Bank branch or on the website www.bendigobank.com.au.

* For further information on the Pay Anyone Service and BPAY facility, you need to obtain a copy of the Bendigo Personal Accounts and Facilities Terms and Conditions, which is made up of three parts and/or the Bendigo Business Accounts Terms and Conditions, which is made up of three parts. You must read parts one, two and three of the applicable Terms and Conditions to have a complete document.

100 Point Check

The *Financial Transaction Reports Act 1988* (Cth) requires financial institutions to apply procedures to verify your identity.

Sandhurst requires that you (and your nominated representative, if applicable) complete a 100 Point Identification Check form and lodge appropriate identification either personally or through the mail. If you are lodging your application through the mail, you (and your nominated representative, if applicable) must complete the "Identification record for a signatory to an account" form on page 39, and send it to Sandhurst with your application form. If you (and your nominated representative, if applicable) are lodging your application in person, please ensure you have satisfactory identification with you. Please contact Sandhurst or Bendigo Bank for further information regarding the identification required.

Convenient personal cheque facility

For additional flexibility and fast access to your investment, a personal cheque facility is available in connection with the Cash Common Fund. The Terms and Conditions for the personal cheque facility are outlined on pages 31 and 32. You can apply for this facility by completing Step 2 on the application form on page 35.

The personal cheque facility is not available in connection with the Investment Common Fund or the Select Mortgage Fund.

Changing your details

For your security we require all changes to your personal details in writing with a signed letter. Remember to quote your account number in all correspondence with us.

If you have a concern or a complaint

If you have a complaint, please contact Sandhurst 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 803 173 to speak to a member of our staff directly or write to the Complaints Officer at our address on the inside front cover of this PDS.

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

- acknowledge the complaint as soon as practicable;
- ensure the complaint receives proper consideration by a person designated by Sandhurst 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 at the address below.

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

Investing through a master trust or wrap account

If you have invested through a master trust or wrap account, 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 is not responsible for the operation of any master trust or wrap account service through which you invest.

If you are investing through a master trust or wrap account, then enquiries and complaints should be directed to the operator of that service, not to Sandhurst.

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

Taxation and your investment

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

General

Sandhurst intends to distribute all of the net taxable income of the Funds (after deducting Fund expenses including Management Costs) to investors. If this occurs, under the present taxation legislation, no Australian income tax will be paid by any of the Funds.

Tax position of Australian resident investors

Income Distributions: Unless investors are advised otherwise, all distributions of income, including amounts reinvested, will form part of the investor's assessable income and should be included in their tax return.

Withdrawals and Transfers: In a limited number of circumstances, certain dealings with an investment may have tax consequences for an investor. Investors are urged to seek their own professional taxation advice because the taxation consequences can vary depending upon individual circumstances.

Goods and Services Tax: GST will not be payable on your investments in the Fund or on distributions you receive from the Fund.

Expenses charged to the Fund (including Sandhurst's management fees) may include GST. The Fund may not be entitled to claim an input tax credit for the full amount of that GST. The GST included in expenses that cannot be claimed as an input tax credit will be a net cost to the Fund.

Tax File Numbers/withholding tax

Collection of Tax File Numbers (TFN) is authorised and their use and disclosure are strictly regulated by the Australian tax laws and *Privacy Act 1988* (Cth).

Quotation of a TFN is not compulsory, but tax may be taken out of your distributions at the highest marginal rate plus Medicare levy if you do not quote your TFN or claim an exemption. By quoting your TFN, you authorise us to apply it to your investment and disclose it to the Australian Taxation Office.

An investor who invests in the Funds in the course or furtherance of a business or enterprise that they carry on may quote their Australian Business Number (ABN) instead of their TFN.

Australian tax position of non-resident investors

If you are not an Australian resident, withholding tax may be withheld from your distributions. The prescribed rate of withholding tax varies between countries and depends upon whether Australia is party to a tax treaty with the relevant country. You may be entitled to claim a tax credit in your home country for this tax. You should confirm to us that you are not an Australian resident if you do not want tax deducted at the highest marginal rate plus Medicare levy from any distributions made by the Fund.

Pensions 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.

Anti money laundering

Sandhurst may delay, block or refuse to make a payment if we believe on reasonable grounds that making a payment may breach any law in Australia or any other country. Sandhurst will incur no liability to you if we do so.

Information which we reasonably require to comply with any laws in Australia or any other country must be provided to us and may be disclosed where required by any laws in Australia or any other country.

We reserve the right not to accept your application for investment in the Funds in certain cases. For example, we may refuse to do so where we do not believe you or any Authorised Signatory meet our security, identification and/or other lawful requirements, or we have satisfied ourselves that there are other valid commercial reasons to do so.

Unless you have disclosed that you are acting in a trustee capacity or on behalf of another party, you warrant that you are acting on your own behalf in making an investment in the Fund(s).

You declare and undertake to us that the payment of money or any transactions performed in accordance with your instructions by us does not and will not breach any laws in Australia or in any other country.

Verification

We may, and you consent to us doing so, seek verification of your identification and identification documents from independent sources and/or third party service providers.

We will keep copies of all documents provided by you and will disclose or provide copies of your identification documents to third party bodies as required by law.

We may request, and you must provide, further documentary evidence of your identity as we deem necessary to confirm your identity.

We may request that you produce, and you must provide in person if necessary, the original and/or certified true copies of all documentary evidence confirming your identity.

Inability to confirm identity

In the event that we are unable to properly confirm your identity, we may at our sole discretion, reject your application, suspend the operation of your account, refuse transactions and/or place a freeze on your funds until such time as your identity can be confirmed.

We may request, and you must provide, any other additional information we deem necessary in relation to your identity, personal affairs, business dealings and/or the purpose of your relationship with us. In the event you refuse or fail to provide us with the information we have requested, we may at our sole discretion, reject your application, suspend the operation of your account, refuse transactions and/or place a freeze on your funds until such time as the information is provided.

Additional information

Fund Constitutions

The operation and conduct of each of the Funds and the rights and obligations of Sandhurst and investors in the Funds, will be governed by each Fund's Constitution. A copy of each Constitution can be obtained free of charge by contacting us. The Constitution for each Fund sets out in detail:

- how investments are made in the Fund;
- how income of the Fund is distributed;
- how investments can be withdrawn from the Fund;
- the investment of Fund assets by Sandhurst;
- that each investor's interest in the Fund is a fractional beneficial interest in the whole of the Fund and is not an interest in any particular part of the Fund or in any asset of the Fund;
- Sandhurst's right to be paid a management fee out of Fund assets; and
- Sandhurst's right to be indemnified out of Fund assets for liabilities or expenses incurred in relation to the Fund.

Each Constitution is legally binding between Sandhurst and each investor. All investors are bound by the provisions of the Constitution of the relevant Fund.

Service providers

The Constitutions specify that we may seek professional advice and services for the Funds and allow us to recover all proper expenses from the Funds. Where we engage the services of a third party (administrator, mail house, printer, etc) these services will be provided on an arm's length basis at commercial rates.

Fees paid to external service providers are paid by the Fund out of expense recoveries. Refer to pages 16 and 17.

Our relationship with Bendigo Bank Group

The Bendigo Bank Group provides certain advisory and administrative services to us. These services include:

- asset and liability management;
- liquid asset administration;
- loan administration;
- retail distribution; and
- business administration (IT, marketing, etc).

Any fees paid to a member of the Bendigo Bank Group for these services are paid by Sandhurst from its own resources and not out of the Funds, other than:

1. Fees which are passed on to investors (refer to page 18) such as:
 - the personal cheque withdrawal fee;
 - the stopped cheque fee; and
 - the dishonoured cheque fee.
2. Internal legal fees charged by Bendigo Bank for Fund related legal services and which are paid by the Fund out of expense recoveries (refer to pages 16 and 17).

Sandhurst relies on the ability of providers within the Bendigo Bank Group to provide services within the timeframes and to the standards specified in the agreements or terms of engagement with each service provider. Services are also provided on an arm's length basis and on commercial terms.

Directors, officers or employees of Sandhurst, other members of the Bendigo Bank Group and Associated Companies, may from time to time have investments in the Funds or take out loans with the Funds. Any transactions are conducted on normal commercial terms and conditions.

From time to time, to the benefit of our investors, Sandhurst may source loans from Bendigo Bank, on an arm's length basis. The fees derived by members of the Bendigo Bank Group which are paid out of the assets of the relevant Funds are as follows:

Period ended 30 September 2006	Select Mortgage Fund	Investment Common Fund
Loan origination and management fees and commissions paid / payable to National Mortgage Market Corporation Limited ABN 52 006 325 640, a wholly owned subsidiary of Bendigo Bank	\$2,288,541 (2005:\$1,814,404)	Nil Nil
Management fees paid to Bendigo Bank Limited for loan management services	\$1,738,716 (2005: \$1,647,103)	\$47,544 (2005: \$51,804)

These fees and costs are incurred in purchasing the assets of the Fund and are included in the Management Costs. Refer to page 17.

Sandhurst Common Funds Pricing Policy

Sandhurst has adopted a pricing policy in respect of interests in each Fund which sets out, among other things, the methodology to be used by Sandhurst in calculating the price at which interests in a Fund are issued or redeemed and any discretions that may be exercised by Sandhurst in doing so. Sandhurst also keeps records of any exercise of any discretion which is not covered by the pricing policy or which involves a departure from the pricing policy. Copies of the pricing policy or any such records are available free of charge on request.

Investors' liability

Generally, the Constitution limits an investor's liability to Sandhurst to the value of that investor's investment in the relevant Fund. However, no absolute assurance can be given due to the fact that this has not been tested in superior courts. This does not apply to the personal cheque facility.

Compliance plans

Under the Corporations Act, each of the Sandhurst Common Funds is required to have a compliance plan. The compliance plans set out measures and procedures that Sandhurst, as the Responsible Entity of each Fund, will implement to ensure that the operations of each of the Funds complies with the Corporations Act and their respective Constitution. The compliance plan will be audited at least once a year by an external auditor who will report on their findings to us.

A Compliance Committee, with a majority of external members, has been established for the purpose of monitoring Sandhurst's adherence to each Fund's compliance plan.

Privacy

Your right to privacy

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

Purpose and use of personal information

The main reason that Sandhurst collects personal information is to provide you with the financial products you have requested. In order to do that, Sandhurst may need to disclose some of your personal information to members of the Bendigo Bank Group, any Associated Company and to organisations that carry out administrative functions on behalf of Sandhurst or other members of the Bendigo Bank Group and any Associated Company (eg: mailing houses or information technology service providers).

If any part of that information is not provided, Sandhurst may not be able to provide you with your requested products.

Sandhurst may also share your personal information with members of the Bendigo Bank Group and any Associated Companies so that you can be informed about financial products or services offered or distributed by them or us. If you do not want Sandhurst to share your personal information in this way, please notify us through our Customer Service Centre on 1800 803 173.

We may also be allowed or obliged to disclose information by law and to report on prudential or risk management matters.

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.

Investment advisers

If any of the Funds were recommended to you by an investment adviser (as evidenced on your application form or otherwise notified to us) then details of your investment may be provided to that adviser.

Access to your personal information

You can request access to your personal information or our full privacy policy by contacting our Customer Service Centre on 1800 803 173. The full privacy policy can also be obtained by accessing the Sandhurst website: www.sandhursttrustees.com.au (select "About Us").

Nominated representatives

You may wish to appoint a person, partnership or company as your nominated representative to act on your behalf in all matters relating to your investment in the Fund(s). 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 and 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, 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, any company in 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 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 exercises its right to cancel the arrangement as set out above.

A nominated representative is also required to complete the 'Identification record for a signatory to an account' as explained on page 34.

Eligible investors

You must be 18 years or over to invest in any of the Sandhurst Common 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.

Borrowing

The Funds' Constitutions place no formal restrictions on amounts that may be borrowed or liabilities that may be incurred.

The Funds do not currently borrow. In addition, the Funds do not propose to borrow in the foreseeable future. However, the Funds may incur liabilities, including borrowings, as part of their ordinary operations.

The Funds may incur costs through interest expenses and the establishment and maintenance of a borrowing facility.

Are labour standards, environmental, social and ethical issues taken into account?

Sandhurst does not take into account labour standards or environmental, social or ethical considerations in the selection, retention or realisation of investments in the Funds.

Continuous disclosure requirements

The Funds are 'disclosing entities' and are subject to regular reporting and disclosure obligations under the Corporations Act. Copies of documents lodged with ASIC in relation to the Funds may be obtained from, or inspected at, an ASIC office.

Please contact our Customer Service Centre on 1800 803 173, if you wish to obtain copies of any of the following documents free of charge:

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

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, where investments are made by 'wholesale clients' (as defined in the Corporations Act) or under additional investment arrangements. 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. The cancellation of your investment will generally be processed on the date your request is received. If an interest 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).

Our rights under this PDS

You should note that a failure by us to exercise, or a delay in exercising, any right as detailed in this PDS will not operate as a waiver of that right or preclude our ability to exercise that right in the future.

Bendigo Bank consent

Bendigo Bank Limited has given and has not, before the date of the PDS, withdrawn its written consent to the inclusion in this PDS of the statements concerning the e-banking service of Bendigo Bank Limited and the 100 point check or its consent to being named in this PDS, in each case in the form and context in which it is included or named. Except as set out in the preceding sentence, Bendigo Bank Limited has made no statement included in this PDS or on which a statement made in this PDS is based. Bendigo Bank has had no involvement in the preparation of this PDS, takes no responsibility for any part of it and has not authorised or caused the issue of any part of the PDS except as noted above.

National Mortgage Market Corporation Limited consent

The National Mortgage Market Corporation Limited has given and has not, before the date of the PDS, withdrawn its written consent to being named in the PDS and to the inclusion on page 26 of this PDS of the statement concerning fees and commissions it receives, in each case in the form and context in which it is named or included.

Directors' consent

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

Glossary

We understand the investment process can be overwhelming. That is why we have tried hard to make this PDS easy-to-read and, where possible, used plain language to explain various financial terms.

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

ABN: Australian Business Number, a unique identifier issued to business entities by the Australian Taxation Office.

AFSL: Australian Financial Services Licence, a licence granted by ASIC, which authorises a person who carries on a financial services business to provide financial services.

Anticipated Return: is the rate of return set by Sandhurst which it anticipates paying over the duration of the investment in the Investment Common Fund. This rate is announced with regard to the investments of the Fund, the income being derived and other relevant considerations. This return is calculated after fees and costs and is not guaranteed to investors. Any return made above the Anticipated Return is paid as a performance fee to Sandhurst.

APIR: a unique identifier code, issued by APIR® Systems Limited, to participants and products within the financial services industry. The APIR codes used in this PDS are Product Identification Codes (“PIC”).

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

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

Authorised Signatory: a person who is authorised to operate on an account.

Bendigo Bank: Bendigo Bank Limited (ABN 11 068 049 178)

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

Business Day: is a day other than a Saturday or Sunday on which banks are open in Melbourne, Victoria.

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

Distribution: payments of income made to investors out of Fund earnings.

Diversification: is the practice of not investing all your money in one asset class, thereby spreading and minimising risk.

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

Indicative Rate: is the rate of return for the Select Mortgage Fund, announced at the beginning of each quarter by Sandhurst, as an indication of the likely return from the Fund. This rate is announced with regard to the investments of the Fund, the income being derived and other relevant considerations. This return is calculated after fees and costs and is not guaranteed to investors.

Indirect Cost Ratio (ICR): a ratio expressing the 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: a credit rating assigned to an entity that has been assessed, on criteria determined by a rating agency (eg: Standard & Poor's), as being of strong credit quality.

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 total fees and costs incurred in managing each Fund and your investment (refer to page 19 for details).

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

Responsible Entity: 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 004 030 737) is the responsible entity of the Managed Investment Schemes offered in this PDS.

Personal cheque facility Terms and Conditions

These Terms and Conditions apply to the operation of the Sandhurst Cash Common Fund and you agree that you will be bound by them.

Your first use of the personal cheque facility will indicate that you have accepted the following terms and conditions.

1. Withdrawing funds using your personal cheque facility

- 1.1 You can withdraw all or part of your interest in the Cash Common Fund using your personal cheque facility.
- 1.2 Each cheque drawn amounts to a request to withdraw part or all of your interest in the Cash Common Fund.

2. Issuing and writing cheques

- 2.1 You may only write cheques on the forms we supply. All cheques that you write must be completed clearly and signed by you.
- 2.2 You must take all reasonable care to prevent fraud occurring in relation to your personal cheque facility.
- 2.3 When writing cheques, you can cross the cheque. Crossing the cheque involves drawing two parallel transverse lines from top to bottom on the face of the cheque. It is an instruction to deposit the cheque into an account and not to cash the cheque. Adding the words “Not-negotiable” between those lines means that the recipient of the cheque obtains no better rights to the cheque than the person who transferred it to that recipient. If you do not delete the words “or bearer”, you authorise the amount of the cheque to be paid to any person who is in possession of the cheque.
- 2.4 When filling out a cheque you should try not to leave any gaps between the words or figures. You should:
 - (a) begin the amount in words with a capital letter as close as possible to the words “The sum of” and draw a line from the end of the amount in words to the printed \$;
 - (b) begin the amount in figures as close as possible to the printed \$; and

- (c) add the word “only” after the amount in words.

This can help to reduce the risk of fraud.

3. Dishonouring cheques

- 3.1 You must not write a cheque unless the value of your interest in the Cash Common Fund is for more than the amount of the cheque. The following cheques may be dishonoured:
 - (a) any cheque which is for more than the value of your interest in the Cash Common Fund at the time the cheque is presented; or
 - (b) any cheque that has not been completed correctly or is incomplete (including but not limited to a cheque that is unsigned, undated, post dated, stale or has no payee stated).
- 3.2 If your account is closed or your personal cheque facility is cancelled, any cheque presented after closure or cancellation may be dishonoured.

4. Stopping a cheque

- 4.1 You may request payment to be stopped on a cheque which has not yet been presented for payment. You must pay us a fee for this service: see the section entitled “Fees and costs for the personal cheque facility” at page 18. If your cheque has been presented, we cannot stop the payment.
- 4.2 To stop a cheque you must contact either us or Bendigo Bank Limited. You can contact us on 1800 803 173 and Bendigo Bank Limited on 1300 366 666. We may require you to confirm your request in writing.

5. Lost or stolen cheques and cheque books

- 5.1 You must keep your cheque book and all unused cheques in a safe place at all times. This will help reduce the risk of theft.
- 5.2 You must keep your cheque book separate from any plastic cards or other material that bears your signature. You must not leave signed blank cheques in your cheque book.
- 5.3 If any cheque or your cheque book is lost or stolen, you must notify us or Bendigo Bank Limited as soon as possible. Refer to page 32 for contact details.

Sandhurst Trustees Limited

Telephone: 1800 803 173

Facsimile: 1300 850 194

Postal Address:

Sandhurst Common Funds
Sandhurst Trustees Limited
PO Box 480
BENDIGO VIC 3552

Email: STLcommonfunds@bendigobank.com.au

Bendigo Bank Limited

Telephone: 1300 366 666

Postal Address:

Bendigo Bank Limited
PO Box 480
BENDIGO VIC 3552

Email: oncall@bendigobank.com.au

- 5.4 If you delay unreasonably in advising us that a cheque or cheque book is lost or stolen or misused, other people may be able to draw against your interest in the Cash Common Fund without your permission and you may be liable for any money so withdrawn.
- 5.5 You should carefully check your statements and notify us as soon as possible of any errors. This can help to reduce fraud.

6. Cancelling your personal cheque facility

- 6.1 Either we or Bendigo Bank Limited may cancel your personal cheque facility at any time. If we or Bendigo Bank Limited cancel your personal cheque facility, you will be notified in writing and you must return to us all unused cheques immediately after you receive the notice of the cancellation.
- 6.2 You may cancel your personal cheque facility at any time by:
- (a) giving us notice in writing; and
 - (b) returning to us all unused cheques.
- 6.3 If your personal cheque facility is cancelled, you are liable for any cheques presented for payment after your personal cheque facility is cancelled.

7. Fees

- 7.1 You must pay to us:
- (a) the fees for the operation of your personal cheque facility set out in the section titled "Fees and costs for the personal cheque facility" on page 18, in the circumstances set out in that section; and
 - (b) the amount of any duties and other taxes in relation to the personal cheque facility and any amounts in respect of duties or taxes payable or paid by Bendigo Bank Limited in relation to the personal cheque facility for which we are liable to reimburse Bendigo Bank Limited.
- 7.2 You authorise and direct us to redeem all or part of your interest in the Cash Common Fund and apply the proceeds in satisfaction of any fees, duties or taxes of the kind referred to in clause 7.1.

8. Liability

- 8.1 Neither we nor Bendigo Bank Limited will be responsible for or liable for:
- (a) any arrangement or transaction which is conducted or processed by us or Bendigo Bank Limited on your behalf;
 - (b) the dishonour or failure to dishonour any cheque drawn by you;
 - (c) any delay or failure in processing a transaction on your behalf; and
 - (d) any other actions taken or not taken in relation to your personal cheque facility.

9. Changes

- 9.1 We may change these terms and conditions at any time. If any law regulates that change, we will only make the change to the extent permitted by, and subject to the requirements of, that law.
- 9.2 By applying for a personal cheque facility you agree that we can give you notice of changes in writing, electronically, by newspaper advertisement or in any other way permitted by law.

10. Other

- 10.1 Neither we nor Bendigo Bank Limited agree to provide you with credit merely because payment is met on a cheque that is for more than the value of your interest in the Cash Common Fund.

Guide to completing your application form

It is important that you complete the application form correctly so Sandhurst can process your investment promptly. Here are the simple steps required to do this:

Step 1	Investor details
---------------	-------------------------

Please provide the name and contact details for all applicants, including those of a company, partnership or trust (if applicable). The following is a guide to assist you in completing the investor details.

Investor Type	Examples of investor details	Who signs Step 8
Individual investor	Investor 1 Title: Mr Given names: Robert Surname: Brown	Investor 1 Mr Brown
Joint investors	Investor 1 Title: Mr Given names: Robert James Surname: Brown Investor 2 Title: Mrs Given names: Mary Anne Surname: Brown	Investor 1 Mr Brown Investor 2 Mrs Brown
Corporate investor	Company / Corporate Trustee Full company name	Investor 1 Company Director Investor 2 Second Company Director or Company Secretary (if applicable); or blank if only one Director. Company Seal required where applicable.
Superannuation fund	Investor 1 or 1 and 2 Trustee Details <i>Or for a corporate trustee</i> Company / Corporate Trustee Corporate Trustee <i>and Account name</i> Name of the Super Fund	Investor 1 or 1 and 2 Trustee(s) Investor 1 Company Director Investor 2 Second Company Director or Company Secretary. Company Seal required where applicable.
Trust	Investor 1 or 1 and 2 Trustee Details <i>Or for a corporate trustee</i> Company / Corporate Trustee Corporate Trustee's Details <i>and Account name</i> Trust Name	Investor 1 or 1 and 2 Trustee(s) Investor 1 Company Director Investor 2 Second Company Director or Company Secretary. Company Seal required where applicable.
Deceased estate	Investor 1 or 1 and 2 Executor(s) Details Account name Estate Name	Investor 1 or 1 and 2 Executor(s)
Minor(s) under 18	Investor 1 or 1 and 2 Adult(s) Details Account name Minor(s) Details	Investor 1 or 1 and 2 Adult(s) Details
Clubs/unincorporated bodies	Company or other investor name Office Bearer(s) Account name Club Name	Investor 1 or 1 and 2 Office Bearer(s)

Step 2	Investment instructions
Please choose between the three investment options by ticking the appropriate box, and entering the investment amount. For the Investment Common Fund, please also choose a term and Anticipated Return. The current Anticipated Returns can be obtained from any Bendigo Bank branch, or visit our website www.sandhursttrustees.com.au (select "Products").	
Step 3	Tax File Number (TFN) or Australian Business Number (ABN)
Please quote the Tax File Number or exemption for each applicant. You can quote an Australian Business Number (ABN) instead of a Tax File Number (TFN) or exemption if the investment is being made in the course of carrying on a business. Quotation of a TFN is not compulsory, but tax may be taken out of your distributions at the highest marginal rate plus Medicare levy if you do not quote your TFN or claim an exemption (such as because you are not an Australian resident, you receive a certain type of pension or you are not required to lodge a tax return).	
Step 4	Investor options
Investors in the Cash Common Fund and the Select Mortgage Fund should choose whether to receive an investment passbook or a quarterly statement (please see page 8 in the Profile of Funds table for more information).	
Step 5	Income distribution instructions
Please tick the appropriate box if you would like to have your income distributions reinvested, sent to you by cheque or directly deposited into a bank, building society or credit union account and please provide the details of the account where you wish to have your distributions deposited.	
Step 6	Joint applicant withdrawal instructions
Joint account applications must be signed by all parties, however withdrawals shall be permitted as authorised and indicated at step 6 on the application form.	
Step 7	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 to sign this section.	
Step 8	Declaration and signatures
Please read the PDS thoroughly and then sign the application form. Sandhurst 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 form. If joint investors are applying, all signatories are required.	
Step 9	Applications lodged by mail
If you (and your nominated representative, if applicable) are lodging your application form through the mail please complete the 'Identification record for a signatory to an account' form and have it signed by an 'Acceptable Referee' as listed on page 40. If you (and your nominated representative, if applicable) are lodging your application at any Bendigo Bank branch, you (and your nominated representative, if applicable) are not required to complete this form, however you will need to provide satisfactory identification.	

Please lodge your application at any Bendigo Bank branch or mail your completed application form and cheque crossed 'not negotiable' and made payable to Sandhurst Trustees Limited to:

Sandhurst Common Funds
Sandhurst Trustees Limited
PO Box 480
Bendigo Vic 3552

Customer Service Centre For assistance completing your application form please call 1800 803 173, from Monday to Friday 8.30am - 5.00pm.

Sandhurst Common Funds Application Form

Application No. 1

OFFICE USE ONLY

Customer/Account number



Please use BLOCK capital letters in the boxes provided. Please use black ink.
Interests will be issued on the basis of this PDS from 25 May 2007.
This application form is to be signed at Step 8.

Adviser/Branch Stamp

Adviser no:

Step 1 Investor details

I am/We are a: new investor current investor

Investor 1 - Individual (or individual Trustee of a Trust or Superannuation Fund)

(Mr/Mrs/Miss/Ms)

Surname

Given Names

Date of Birth

Investor 2 - Individual (or individual Trustee of a Trust or Superannuation Fund)

(Mr/Mrs/Miss/Ms)

Surname

Given Names

Date of Birth

Company/Corporate Trustee (of a Trustee or Superannuation Fund)/Club/Association

This account is to be invested as Trustee for (Person, Trust or Superannuation Fund)

Contact Details

Address

Town/Suburb

State

Postcode

Phone (BH)

Phone (AH)

Email

Step 2 Investment instructions

Name of fund invested

Amount to be invested (\$)

Sandhurst Select Mortgage Fund

Sandhurst Cash Common Fund

Personal cheque facility

Yes

No

Sandhurst Investment Common Fund

Term

months

Rate

%

Distribution Frequency

Quarterly

Half Yearly

Yearly

Step 3 Tax file number (TFN) or Australian Business Number (ABN)

An Australian Business Number (ABN) may be used as an alternative to a Tax File Number (TFN) if your investment is undertaken in the course of registered business. I/We authorise the use of this TFN or ABN to the investment for which I am/we are applying. It is not an offence and you are under no obligation to provide us with your TFN or ABN. However, please provide your TFN or ABN, or provide reasons why you are exempt from doing so, if you do not want tax deducted at the highest marginal rate plus Medicare Levy from any distributions made by the Fund.

Investor 1: TFN or exemption

Investor 2: TFN or exemption

Company/Trustee/Super Fund

ABN/TFN

Reason for exemption (if applicable)

Reason for exemption (if applicable)

Reason for exemption (if applicable)

Step 4 Investor options (Cash Common Fund and Select Mortgage Fund only)

Investors in the Investment Common Fund are provided with an Investment Certificate. If you are applying for an interest in the Cash Common Fund or Select Mortgage Fund please select one of the following options.

Investment Passbook Quarterly Statement

Step 5 Income distribution instructions

Reinvest income Forward cheque to the address supplied in Step 1

Pay to bank (if you choose this option, please complete Section below)

Financial institution

Account name

Account number BSB -

Step 6 Joint applicant withdrawal instructions

Any one signatory to sign All signatories to sign

Joint applications must be signed by all parties but withdrawals shall be permitted as authorised and indicated herein.

Step 7 Nominated representative facility (optional)

I/we nominate the following person as my/our nominated representative, and acknowledge that the appointment is governed by the terms set out on page 28 of this PDS.

Name of nominated representative

Nominated representative Signature _____ Date

Investor 1/Company Signatory Name & Title

Signature of Investor 1/Company Signatory _____ Date

Investor 1/Company Signatory Name & Title

Signature of Investor 1/Company Signatory _____ Date

A corporation which is an investor in the Fund must execute under its common seal or otherwise in accordance with the Corporations Act.

Company Seal (if company or trust)

Step 8 Declaration and signatures

I/we declare that:

- (1) All details in this application form are correct.
- (2) I/we have carefully read the Product Disclosure Statement (PDS) to which this application form is attached and agree to be bound by the terms and conditions of the PDS (as applicable) and the Constitutions which govern the Funds.
- (3) If this application form is signed under a Power of Attorney, the attorney hereby declares that he/she has not received notice of revocation of that power. (A certified copy of the Power of Attorney should be submitted with this application form, unless Sandhurst has already sighted it).
- (4) If this application form is signed on behalf of a trustee of a superannuation fund or trust, I/we hereby declare that the trustee has the power and authority under the relevant trust deed to invest on behalf of the superannuation fund or trust.

I/we acknowledge that:

- (1) An investment in any of the Funds does not represent a deposit with or other liability of Sandhurst, the Bendigo Bank Group or any Associated Company.
- (2) As with any investment, there are inherent risks in investing in the Funds. These risks, include less than expected returns, loss of income or capital invested.
- (3) The repayment of capital invested, the payment of income or the investment performance of any of the Funds is not guaranteed by Sandhurst, the Bendigo Bank Group, any Associated Company, or any of their officers, employees or agents.
- (4) Sandhurst reserves the right to reject applications for interests in the Funds for any reason.

I/we consent to providing Sandhurst, the Bendigo Bank Group, or any Associated Company with personal information pursuant to the Privacy Amendment (Privacy Sector) Act 2001 and for use as described on page 27 of this PDS.

I/we consent to providing Sandhurst, the Bendigo Bank Group, or any Associated Company with information required to verify my/our identity as described on page 25 of this PDS.

Investor 1 Signature

Investor 2 Signature

Name

Name

Date

In the case of an application by a corporation, evidence of incorporation must be furnished by the production of a Certificate of Incorporation issued by the Australian Securities and Investments Commission.

A corporation which is an investor in the Fund must execute under its common seal or otherwise in accordance with the Corporations Act.

Company Seal (if company or trust)

This application form must not be completed, signed or submitted unless accompanied by the PDS dated 25 May 2007.

IMPORTANT: Before signing this application form applicants should read the PDS to which this form relates.

BRANCH USE ONLY

- Branch to retain copy of application for branch records.
- Original application to be forwarded to Sandhurst Trustees Limited, 18 View Street, Bendigo.

• Processed by

• Adm. Number

Date processed

• 100 point

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Identification record for a signatory to an account

Reference from an Acceptable Referee

This form must be signed by an 'acceptable referee'. Additional signatories to an account must each complete separate 'Acceptable Referee' forms. See overleaf for guidance notes before completing the form.

Part A: Details of Signatory

1. Name of Signatory (in full, no initials)

Surname

Given Names

2. Account name/title (if unknown leave blank)

3. Account number (if unknown leave blank)

4. Signature (to be signed in the presence of the referee)

Part B: Documents examined by Referee

5. Primary identification document - Birth Certificate, citizenship certificate, or international travel document (e.g. passport)

Type of Document

Name on Document
(cannot be initials)

Document Number

Date of Birth

Date of Issue

Office of Issue*

* For a travel document, show country of issue

6. Secondary identification document

Name on Document
(cannot be initials)

Date of Birth

Address

State

Postcode

Type of Document

Document Number

Issued By

Date of Issue

Date of Expiry

Part C: Details of Acceptable Referee

7. Name of Acceptable Referee

Surname

Given Names

8. Occupation

9. Address

State

Postcode

10. Category of Referee (see list overleaf)

Part D: Statement by Acceptable Referee

11. I have known the signatory for a period of (minimum 12 months):

12. The signatory has been commonly known to me by the name shown in Part A for a period of:

13. I have examined the identification documents whose details are shown in Part B, consisting of (tick one):

A primary document in the name shown in Part A

A secondary document in the name shown in Part A, plus a primary document in a former name

Only a secondary document in the name shown in Part A

14. Where the name on the primary identification document differs from the name used by the signatory in relation to the account, the explanation given by the signatory is:

15. Where only a secondary identification document is examined, the explanation given by the signatory as to why a primary identification document was not produced, is:

16. The signatory signed the identification reference in my presence. 17. Signature of the Acceptable Referee

Date

Notes of guidance for completing this form

An Identification Reference must be signed in the presence of an Acceptable Referee.

An Identification Reference is to be provided for each signatory to an account and comprises a written and signed reference by a person within a specified class of Acceptable Referees, declared by the Minister by Notice in the Gazette on 6 November 2002 in GN 44 (see list below).

The reference must set out the name used by the signatory in relation to the account and must state that:

- The referee has known the signatory for the period specified in the reference (being a period of at least 12 months);
- During the whole of that period, or for so much of that period as is specified in the reference, the signatory has been commonly known by that name; and
- The referee has examined:
 - a specified primary identification document for the signatory in that name; or
 - a specified secondary identification document for the signatory in that name and a specified primary identification document for the signatory in a former name of the person; or
 - only a specified secondary identification document for the signatory in that name.

Primary Identification Documents are:

- birth certificate;
- citizenship certificate;
- international travel document:
 - current passport;
 - expired passport which has not been cancelled and was current within the preceding 2 years;
 - other document of identity having the same characteristics as a passport (e.g. this may include some diplomatic documents and some documents issued to refugees).

Secondary Identification Documents are documents (other than a primary identification document) which establish the identity of the signatory e.g. Australian driver's licence.

Please Note: Primary and Secondary Identification Documents must have at least one given name plus surname in full (not initials).

Warning: It is an offence under section 21 of the *Financial Transaction Reports Act 1988* to make a false or misleading statement.

Categories of Acceptable Referees

1. A member of:
 - (a) the Institute of Chartered Accountants in Australia; or
 - (b) the Australian Society of Certified Practising Accountants; or
 - (c) the National Institute of Accountants.
2. A member of a municipal, city, town, district or shire council of a State or Territory.
3. An employee of a financial institution who is authorised by the financial institution to open accounts with the institution.
4. An agent of a financial institution who is authorised by the financial institution to open accounts with the institution.
5. A full-time employee of:
 - (a) a financial institution (other than an employee mentioned in item 3); or
 - (b) a corporation that is a registered corporation within the meaning of the *Financial Corporations Act 1974*; who has been employed continuously for at least 5 years by one or more financial bodies.
6. An employee of a bank carrying on business outside Australia:
 - (a) that does not have an authority under section 9 of the *Banking Act 1959*; and
 - (b) that is engaged in a transaction with a cash dealer; who is authorised by the bank to open accounts with the bank.
7. A full-time employee of a company carrying on insurance business who has been employed continuously for at least 5 years by one or more companies of that type.
8. A legal practitioner (however described) of a Federal, State or Territory court.
9. A registrar, clerk, sheriff or bailiff of a Federal, State or Territory court.
10. An officer within the meaning of the *Defence Act 1903*.
11. An individual registered or licensed as:
 - (a) a dentist; or
 - (b) a medical practitioner; or
 - (c) a pharmacist; or
 - (d) a veterinary surgeon; under a law of a State or Territory providing for that registration or licensing.
12. An individual who holds the position of nursing sister and is registered as a nurse under a law of a State or Territory providing for that registration.
13. A diplomatic or consular officer of an Australian Embassy, High Commission or Consulate, in Australia or overseas.
14. A holder of an office established by a law of the Commonwealth, a State or Territory in respect of which annual salary is payable, other than an office mentioned in item 15.
15. A judge or master of a Federal, State or Territory court.
16. A stipendiary magistrate of the Commonwealth or of a State or Territory.
17. A justice of the peace of a State or Territory.
18. A member of the Parliament or a State Parliament.
19. A member of the Legislative Assembly of the Australian Capital Territory, the Northern Territory or Norfolk Island.
20. A minister of religion within the meaning of the *Marriage Act 1961* who is registered under Division 1 of Part IV of that Act.
21. A notary public.
22. A member of the Australian Federal Police, or of the police force of a State or Territory, who, in the normal course of his or her duties, is in charge of a police station.
23. A member of the Australian Federal Police, or of the police force of a State or Territory, of or above the rank of sergeant.
24. A manager of a post office.
25. An individual employed as an officer or employee by one or more of the following:
 - (a) The Commonwealth, a State or Territory; or
 - (b) an authority of the Commonwealth, a State or Territory; or
 - (c) a local government body of a State or Territory; who has been so employed continuously for a period of at least 5 years, whether or not the individual was employed for part of that period as an officer and for part as an employee.
26. An individual employed as a full-time teacher or as a principal at one or more of the following educational institutions:
 - (a) a primary or secondary school forming part of the education system in State or Territory; or
 - (b) an institution listed in section 4 or paragraphs 34(4)(b)-(j) (inclusive) of the *Higher Education Funding Act 1988*; who has been so employed continuously for a period of at least 5 years.
27. An individual who, in relation to an Aboriginal community:
 - (a) is recognised by the members of the community to be a community elder; or
 - (b) if there is an elected Aboriginal council that represents the community - is an elected member of the council.
28. An individual who is an agent of a totalisator agency board if:
 - (a) the individual conducts an agency of the totalisator agency board at particular premises; and
 - (b) that agency is not ancillary to any other business conducted at those premises.
29. A commissioner for oaths of a State or Territory.
30. An individual who is registered as a tax agent under part VIIA of the *Income Tax Assessment Act 1936*.
31. A member of the Chartered Institute of Company Secretaries in Australia Limited.
32. A member or fellow of the Association of Taxation and Management Accountants.
33. A member of the Institution of Engineers, Australia, other than a member with the grade of student.
34. A fellow member of the National Tax and Accountants' Association Limited.
35. The holder, or an authorised representative / proper authority holder of, a licence under sections 780, 781 or 913B of the *Corporations Act 2001* who has known another person for at least 12 months is an acceptable referee in respect of the other person for the purposes of the definition of 'acceptable referee' in subsection 3(1) of the FTR Act.
36. The holder of, or an authorised representative / proper authority holder of, a licence under sections 780, 781 or 913B of the *Corporations Act 2001*, who has complied with the requirements of section 912A of that Act and Australian Securities and Investments Commission Policy Statement 122 in relation to another person is an acceptable referee in respect of that other person for the purposes of the definition of 'acceptable referee' in subsection 3(1) of the FTR Act.
(In this situation there is no requirement for an existing 12 month relationship).

Sandhurst Common Funds Application Form

Application No. 2

OFFICE USE ONLY

Customer/Account number



Please use BLOCK capital letters in the boxes provided. Please use black ink.
Interests will be issued on the basis of this PDS from 25 May 2007.
This application form is to be signed at Step 8.

Adviser/Branch Stamp

Adviser no:

Step 1 Investor details

I am/We are a: new investor current investor

Investor 1 - Individual (or individual Trustee of a Trust or Superannuation Fund)

(Mr/Mrs/Miss/Ms)

Surname

Given Names

Date of Birth

Investor 2 - Individual (or individual Trustee of a Trust or Superannuation Fund)

(Mr/Mrs/Miss/Ms)

Surname

Given Names

Date of Birth

Company/Corporate Trustee (of a Trustee or Superannuation Fund)/Club/Association

This account is to be invested as Trustee for (Person, Trust or Superannuation Fund)

Contact Details

Address

Town/Suburb

State

Postcode

Phone (BH)

Phone (AH)

Email

Step 2 Investment instructions

Name of fund invested

Amount to be invested (\$)

Sandhurst Select Mortgage Fund

Sandhurst Cash Common Fund

Personal cheque facility

Yes

No

Sandhurst Investment Common Fund

Term months

Rate

%

Distribution Frequency

Quarterly

Half Yearly

Yearly

Step 3 Tax file number (TFN) or Australian Business Number (ABN)

An Australian Business Number (ABN) may be used as an alternative to a Tax File Number (TFN) if your investment is undertaken in the course of registered business. I/We authorise the use of this TFN or ABN to the investment for which I am/we are applying. It is not an offence and you are under no obligation to provide us with your TFN or ABN. However, please provide your TFN or ABN, or provide reasons why you are exempt from doing so, if you do not want tax deducted at the highest marginal rate plus Medicare Levy from any distributions made by the Fund.

Investor 1: TFN or exemption

Investor 2: TFN or exemption

Company/Trustee/Super Fund

ABN/TFN

Reason for exemption (if applicable)

Reason for exemption (if applicable)

Reason for exemption (if applicable)

Step 4 Investor options (Cash Common Fund and Select Mortgage Fund only)

Investors in the Investment Common Fund are provided with an Investment Certificate. If you are applying for an interest in the Cash Common Fund or Select Mortgage Fund please select one of the following options.

Investment Passbook Quarterly Statement

Step 5 Income distribution instructions

Reinvest income Forward cheque to the address supplied in Step 1

Pay to bank (if you choose this option, please complete Section below)

Financial institution

Account name

Account number BSB -

Step 6 Joint applicant withdrawal instructions

Any one signatory to sign All signatories to sign

Joint applications must be signed by all parties but withdrawals shall be permitted as authorised and indicated herein.

Step 7 Nominated representative facility (optional)

I/we nominate the following person as my/our nominated representative, and acknowledge that the appointment is governed by the terms set out on page 28 of this PDS.

Name of nominated representative

Nominated representative Signature _____ Date

Investor 1/Company Signatory Name & Title

Signature of Investor 1/Company Signatory _____ Date

Investor 1/Company Signatory Name & Title

Signature of Investor 1/Company Signatory _____ Date

A corporation which is an investor in the Fund must execute under its common seal or otherwise in accordance with the Corporations Act.

Company Seal (if company or trust)

Step 8 Declaration and signatures

I/we declare that:

- (1) All details in this application form are correct.
- (2) I/we have carefully read the Product Disclosure Statement (PDS) to which this application form is attached and agree to be bound by the terms and conditions of the PDS (as applicable) and the Constitutions which govern the Funds.
- (3) If this application form is signed under a Power of Attorney, the attorney hereby declares that he/she has not received notice of revocation of that power. (A certified copy of the Power of Attorney should be submitted with this application form, unless Sandhurst has already sighted it).
- (4) If this application form is signed on behalf of a trustee of a superannuation fund or trust, I/we hereby declare that the trustee has the power and authority under the relevant trust deed to invest on behalf of the superannuation fund or trust.

I/we acknowledge that:

- (1) An investment in any of the Funds does not represent a deposit with or other liability of Sandhurst, the Bendigo Bank Group or any Associated Company.
- (2) As with any investment, there are inherent risks in investing in the Funds. These risks, include less than expected returns, loss of income or capital invested.
- (3) The repayment of capital invested, the payment of income or the investment performance of any of the Funds is not guaranteed by Sandhurst, the Bendigo Bank Group, any Associated Company, or any of their officers, employees or agents.
- (4) Sandhurst reserves the right to reject applications for interests in the Funds for any reason.

I/we consent to providing Sandhurst, the Bendigo Bank Group, or any Associated Company with personal information pursuant to the Privacy Amendment (Privacy Sector) Act 2001 and for use as described on page 27 of this PDS.

I/we consent to providing Sandhurst, the Bendigo Bank Group, or any Associated Company with information required to verify my/our identity as described on page 25 of this PDS.

Investor 1 Signature

Investor 2 Signature

Name

Name

Date

In the case of an application by a corporation, evidence of incorporation must be furnished by the production of a Certificate of Incorporation issued by the Australian Securities and Investments Commission.

A corporation which is an investor in the Fund must execute under its common seal or otherwise in accordance with the Corporations Act.

Company Seal (if company or trust)

This application form must not be completed, signed or submitted unless accompanied by the PDS dated 25 May 2007.
IMPORTANT: Before signing this application form applicants should read the PDS to which this form relates.

BRANCH USE ONLY

- Branch to retain copy of application for branch records.
- Original application to be forwarded to Sandhurst Trustees Limited, 18 View Street, Bendigo.

• Processed by

• Adm. Number

Date processed

• 100 point

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Identification record for a signatory to an account

Reference from an Acceptable Referee

This form must be signed by an 'acceptable referee'. Additional signatories to an account must each complete separate 'Acceptable Referee' forms. See overleaf for guidance notes before completing the form.

Part A: Details of Signatory

1. Name of Signatory (in full, no initials)

Surname

Given Names

2. Account name/title (if unknown leave blank)

3. Account number (if unknown leave blank)

4. Signature (to be signed in the presence of the referee)

Part B: Documents examined by Referee

5. Primary identification document - Birth Certificate, citizenship certificate, or international travel document (e.g. passport)

Type of Document

Name on Document
(cannot be initials)

Document Number

Date of Birth

Date of Issue

Office of Issue*

* For a travel document, show country of issue

6. Secondary identification document

Name on Document
(cannot be initials)

Date of Birth

Address

State

Postcode

Type of Document

Document Number

Issued By

Date of Issue

Date of Expiry

Part C: Details of Acceptable Referee

7. Name of Acceptable Referee

Surname

Given Names

8. Occupation

9. Address

State

Postcode

10. Category of Referee (see list overleaf)

Part D: Statement by Acceptable Referee

11. I have known the signatory for a period of (minimum 12 months):

12. The signatory has been commonly known to me by the name shown in Part A for a period of:

13. I have examined the identification documents whose details are shown in Part B, consisting of (tick one):

A primary document in the name shown in Part A

A secondary document in the name shown in Part A, plus a primary document in a former name

Only a secondary document in the name shown in Part A

14. Where the name on the primary identification document differs from the name used by the signatory in relation to the account, the explanation given by the signatory is:

15. Where only a secondary identification document is examined, the explanation given by the signatory as to why a primary identification document was not produced, is:

16. The signatory signed the identification reference in my presence.

17. Signature of the Acceptable Referee

Date

Notes of guidance for completing this form

An Identification Reference must be signed in the presence of an Acceptable Referee.

An Identification Reference is to be provided for each signatory to an account and comprises a written and signed reference by a person within a specified class of Acceptable Referees, declared by the Minister by Notice in the Gazette on 6 November 2002 in GN 44 (see list below).

The reference must set out the name used by the signatory in relation to the account and must state that:

- The referee has known the signatory for the period specified in the reference (being a period of at least 12 months);
- During the whole of that period, or for so much of that period as is specified in the reference, the signatory has been commonly known by that name; and
- The referee has examined:
 - a specified primary identification document for the signatory in that name; or
 - a specified secondary identification document for the signatory in that name and a specified primary identification document for the signatory in a former name of the person; or
 - only a specified secondary identification document for the signatory in that name.

Primary Identification Documents are:

- birth certificate;
- citizenship certificate;
- international travel document:
 - current passport;
 - expired passport which has not been cancelled and was current within the preceding 2 years;
 - other document of identity having the same characteristics as a passport (e.g. this may include some diplomatic documents and some documents issued to refugees).

Secondary Identification Documents are documents (other than a primary identification document) which establish the identity of the signatory e.g. Australian driver's licence.

Please Note: Primary and Secondary Identification Documents must have at least one given name plus surname in full (not initials).

Warning: It is an offence under section 21 of the *Financial Transaction Reports Act 1988* to make a false or misleading statement.

Categories of Acceptable Referees

1. A member of:
 - (a) the Institute of Chartered Accountants in Australia; or
 - (b) the Australian Society of Certified Practising Accountants; or
 - (c) the National Institute of Accountants.
2. A member of a municipal, city, town, district or shire council of a State or Territory.
3. An employee of a financial institution who is authorised by the financial institution to open accounts with the institution.
4. An agent of a financial institution who is authorised by the financial institution to open accounts with the institution.
5. A full-time employee of:
 - (a) a financial institution (other than an employee mentioned in item 3); or
 - (b) a corporation that is a registered corporation within the meaning of the *Financial Corporations Act 1974*; who has been employed continuously for at least 5 years by one or more financial bodies.
6. An employee of a bank carrying on business outside Australia:
 - (a) that does not have an authority under section 9 of the *Banking Act 1959*; and
 - (b) that is engaged in a transaction with a cash dealer; who is authorised by the bank to open accounts with the bank.
7. A full-time employee of a company carrying on insurance business who has been employed continuously for at least 5 years by one or more companies of that type.
8. A legal practitioner (however described) of a Federal, State or Territory court.
9. A registrar, clerk, sheriff or bailiff of a Federal, State or Territory court.
10. An officer within the meaning of the *Defence Act 1903*.
11. An individual registered or licensed as:
 - (a) a dentist; or
 - (b) a medical practitioner; or
 - (c) a pharmacist; or
 - (d) a veterinary surgeon; under a law of a State or Territory providing for that registration or licensing.
12. An individual who holds the position of nursing sister and is registered as a nurse under a law of a State or Territory providing for that registration.
13. A diplomatic or consular officer of an Australian Embassy, High Commission or Consulate, in Australia or overseas.
14. A holder of an office established by a law of the Commonwealth, a State or Territory in respect of which annual salary is payable, other than an office mentioned in item 15.
15. A judge or master of a Federal, State or Territory court.
16. A stipendiary magistrate of the Commonwealth or of a State or Territory.
17. A justice of the peace of a State or Territory.
18. A member of the Parliament or a State Parliament.
19. A member of the Legislative Assembly of the Australian Capital Territory, the Northern Territory or Norfolk Island.
20. A minister of religion within the meaning of the *Marriage Act 1961* who is registered under Division 1 of Part IV of that Act.
21. A notary public.
22. A member of the Australian Federal Police, or of the police force of a State or Territory, who, in the normal course of his or her duties, is in charge of a police station.
23. A member of the Australian Federal Police, or of the police force of a State or Territory, of or above the rank of sergeant.
24. A manager of a post office.
25. An individual employed as an officer or employee by one or more of the following:
 - (a) The Commonwealth, a State or Territory; or
 - (b) an authority of the Commonwealth, a State or Territory; or
 - (c) a local government body of a State or Territory; who has been so employed continuously for a period of at least 5 years, whether or not the individual was employed for part of that period as an officer and for part as an employee.
26. An individual employed as a full-time teacher or as a principal at one or more of the following educational institutions:
 - (a) a primary or secondary school forming part of the education system in State or Territory; or
 - (b) an institution listed in section 4 or paragraphs 34(4)(b)-(j) (inclusive) of the *Higher Education Funding Act 1988*; who has been so employed continuously for a period of at least 5 years.
27. An individual who, in relation to an Aboriginal community:
 - (a) is recognised by the members of the community to be a community elder; or
 - (b) if there is an elected Aboriginal council that represents the community - is an elected member of the council.
28. An individual who is an agent of a totalisator agency board if:
 - (a) the individual conducts an agency of the totalisator agency board at particular premises; and
 - (b) that agency is not ancillary to any other business conducted at those premises.
29. A commissioner for oaths of a State or Territory.
30. An individual who is registered as a tax agent under part VIIA of the *Income Tax Assessment Act 1936*.
31. A member of the Chartered Institute of Company Secretaries in Australia Limited.
32. A member or fellow of the Association of Taxation and Management Accountants.
33. A member of the Institution of Engineers, Australia, other than a member with the grade of student.
34. A fellow member of the National Tax and Accountants' Association Limited.
35. The holder, or an authorised representative / proper authority holder of, a licence under sections 780, 781 or 913B of the *Corporations Act 2001*, who has known another person for at least 12 months is an acceptable referee in respect of the other person for the purposes of the definition of 'acceptable referee' in subsection 3(1) of the FTR Act.
36. The holder of, or an authorised representative / proper authority holder of, a licence under sections 780, 781 or 913B of the *Corporations Act 2001*, who has complied with the requirements of section 912A of that Act and Australian Securities and Investments Commission Policy Statement 122 in relation to another person is an acceptable referee in respect of that other person for the purposes of the definition of 'acceptable referee' in subsection 3(1) of the FTR Act.
(In this situation there is no requirement for an existing 12 month relationship).

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