

Adelaide Cash Management Trust



Product Disclosure Statement Dated 1 November 2016

This Product Disclosure Statement ('PDS' or 'Statement') is issued by Sandhurst Trustees Limited (ABN 16 004 030 737, AFSL No. 237906) ('Sandhurst', 'we', 'us' or 'our'), as the responsible entity of the Adelaide Cash Management Trust (ARSN 088 786 681, APIR AMF0100AU) ('the Trust').

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The latest version of this PDS is available at our website at www.sandhursttrustees.com.au/pds. Information in this PDS is subject to change from time to time. Where the changes are not materially adverse, Sandhurst will make updated information available on its website at www.sandhursttrustees.com.au.

You may request a copy of this PDS and any updated information at any time free of charge by contacting your licensed financial adviser, phoning Sandhurst on 1800 224 124 or visiting www.sandhursttrustees.com.au.

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(for applications, withdrawals, investments and/or changes to details)

Sandhurst Trustees Limited
Adelaide Cash Management Trust
GPO Box 1048
Adelaide SA 5001

Email address

(for withdrawals, investments and/or changes to details)

moneymat@adelaidebank.com.au

Please note: all requests must be signed.

Important Information

This PDS is a summary of significant information relating to the Adelaide Cash Management Trust and will help you decide whether this product will meet your needs, and compare this product with others you may be considering.

You should consider the information in this PDS in its entirety, before making a decision about the Adelaide Cash Management Trust.

The information in this PDS is general information only and does not take account of your personal financial situation or needs. You should assess your own objectives, financial situation and needs before deciding to acquire an interest in the Trust. Before making an investment decision, you should obtain financial advice tailored to your personal circumstances.

1. About Sandhurst

Sandhurst is the Trust's responsible entity. Sandhurst is responsible for overseeing the Trust's operation, investments and for managing the Trust in the best interests of investors.

Sandhurst is a wholly owned subsidiary of Bendigo and Adelaide Bank Limited (ABN 11 068 049 178, AFSL No. 237879) and is part of the Bendigo and Adelaide Bank Group, which comprises Bendigo and Adelaide Bank Limited (the Bank) and its related entities.

Sandhurst, formed in 1888, has assisted Australian families with their financial needs for more than 125 years. Sandhurst is a highly experienced provider of investment solutions and trustee services that create, enhance and protect wealth. Sandhurst offers a wide range of products and services including investment and funds management, superannuation, commercial loans, access to funeral bonds, the management of estates and trusts, and the provision of corporate trustee and custodial services. Sandhurst embraces a prudent investment philosophy and is committed to delivering high quality investment solutions.

2. How the Adelaide Cash Management Trust works

Structure

The Trust is a registered managed investment scheme, whereby your money is pooled with other investors' money. Sandhurst invests this money on behalf of all the Trust's investors on deposit with the Bank. This means that you have access to certain investments that you may not otherwise be able to access on your own. The ASIC website www.moneysmart.gov.au has more information on managed investment schemes.

The Trust is established under a constitution (Constitution), which sets out your rights and the powers and responsibilities of Sandhurst. You can obtain a copy of the Constitution free of charge by contacting us.

Under the Corporations Act 2001 (Corporations Act), the Trust is required to have a compliance plan lodged with ASIC. The compliance plan is audited annually and sets out measures that Sandhurst will implement to ensure that the Trust's operation complies with the Corporations Act and the Constitution.

About units and unit pricing

The Trust is unitised, meaning that when you invest in the Trust, you purchase units that represent a beneficial interest in the Trust's assets (but not in any particular underlying asset).

Usually, the price of the units will vary as the market value of the assets of the Trust rises or falls, however the Trust's unit price is fixed at \$1.00 as set out in its Constitution. Subject to unforeseen circumstances, such as a winding up of the Trust, the repayment of investors' capital may be based on a lower unit price. In the normal course of events we would expect that the capital proceeds upon withdrawal to be equal to the cost of acquiring units in the Trust (excluding fees and costs), however there is no guarantee of the return of capital or income of the Trust.

Custodian and transaction service provider

Sandhurst has appointed the Bank, as custodian, to hold the Trust's assets on Sandhurst's behalf for investors. An investor's beneficial interest (investment) in the Trust is referred to within this PDS as a 'CMT account'. The Bank operates under the supervision of the Australian Prudential Regulation Authority (APRA) and adheres to a strict code of prudential controls in accordance with the Banking Act 1959 (Banking Act).

The Bank offers investors related transaction services on their CMT account including debit cards, cheque books, regular

payments, express line (phone banking) and online banking. Information including fees and charges and terms and conditions applicable to the Bank's transaction services are set out in the Transaction Services Guide – Adelaide Cash Management Trust ('Guide'), available at www.sandhursttrustees.com.au/cmtguide. If you use any of the Bank's transaction services, you do so on the terms and conditions in the Guide.

Applications and withdrawals

You can make applications and withdrawals at any time, subject to the following minimum requirements (which Sandhurst may change at its discretion):

- Minimum initial investment \$5,000
- Minimum operating balance \$1,000
- Minimum additional investment Nil
- Minimum withdrawals Nil

Note: Sandhurst may accept lesser amounts at its discretion.

Initial investment

To acquire units in the Trust as your initial investment, send us your completed Application Form along with your cheque. Alternatively you can use the Bank's transaction services to make your initial investment which include deposits at a Bank branch, BPAY® or Australia Post's Bank@Post agency service (please note, you must have already received your debit card to use Bank@Post). We will also accept direct credits from your financial institution.

To make your initial investment using the Bank's transaction services you do so on the terms and conditions for use of these services in the Guide. Once we have received your application, we will send you a welcome letter which includes your personalised details required to use these services.

If your Application Form and funds are received and accepted by Sandhurst before 2:30pm Adelaide time on a business day, you will be issued units and start earning income from that day. Where your Application Form and funds are received after 2:30pm Adelaide time, you will be issued units and start earning income on the next business day if Sandhurst accepts your Application Form.

Details of where to send your Application Form and initial investment by cheque are located on page 1 of this PDS. In certain circumstances, Sandhurst reserves the right to refuse an application or accept only part of an application or change processing times. A copy of the Application Form is available from our website at www.sandhursttrustees.com.au/forms.

You will be provided with a statement confirming your initial investment.

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Additional investments

There is no minimum additional investment amount and you can increase your investment by acquiring units in the Trust at any time, by writing to Sandhurst and sending us a cheque. Alternatively you can use the Bank's transaction services including branch deposits, online and phone banking, BPAY®, regular payments (additional investments made electronically on a regular basis), cheque deposits at Australia Post offices displaying the Bank@Post symbol and using your debit card.

To establish regular payments to your CMT account, complete the Regular Payments Form available on our website at www.sandhursttrustees.com.au/forms.

You should obtain a copy of the most up-to-date PDS when making additional investments, as the investment will be made on the terms of the most up-to-date PDS. In certain circumstances, Sandhurst reserves the right to refuse an additional investment, accept only part of an additional investment (for example, if the Trust is closed to additional investments) or change processing times.

Withdrawal requests

There is no minimum withdrawal amount and you can decrease your investment by making a request at any time to withdraw funds by writing to Sandhurst and requesting a cheque (investor/s signature required). Alternatively, you can use the Bank's transaction services including withdrawals from a Branch, online and phone banking, BPAY®, regular payments (withdrawals made electronically on a regular basis), personal cheque book, debit card and third party direct debits. To establish regular payments from your CMT account, complete the Regular Payments Form available on our website at www.sandhursttrustees.com.au/forms. Should your CMT account fall below the minimum operating balance of \$1,000, we reserve the right to redeem all of your units and close your CMT account at any time.

After Sandhurst has received and accepted a withdrawal request in writing, withdrawals are normally paid within 5 business days of the withdrawal date (however, the Trust's Constitution allows up to 30 days or such longer period as Sandhurst determines in certain circumstances).

In certain circumstances, Sandhurst reserves the right to suspend withdrawals from the Trust, if in the reasonable opinion of Sandhurst, it is in the best interests of the investors as a whole to do so. In some circumstances, such as when there is a freeze on withdrawals, you may not be able to withdraw your units in the Trust within the usual period for withdrawal requests. Sandhurst reserves the right to change processing times.

Calculation of income and frequency of distributions

The Trust may earn income in the form of interest and it is Sandhurst's intention that the full amount of the Trust's taxable income in each financial year be distributed to investors.

Income is calculated daily and distributions are normally paid monthly to investors on the last business day of the month and upon closure of your CMT account. Your entitlement to distributions is calculated by the daily net income of the Trust divided by the number of units on issue multiplied by the number of units you hold. Distributions will be automatically reinvested into your CMT account by acquiring additional units in the Trust.

The distribution rate can be viewed on the Sandhurst website www.sandhursttrustees.com.au/rates/cash.

Platform investors

If you are investing through a master trust, wrap account or other investor directed portfolio-type service (collectively referred to as a 'Platform'), it is generally the operator of the Platform (Platform Operator) which becomes the investor in the Trust, not you. Accordingly, they have the rights of an investor and can exercise them in accordance with their arrangements with you.

If you invest through a Platform, you are subject to the conditions that are prescribed by the operator of the Platform which may differ from the conditions outlined in this PDS (such as procedures for making investments and withdrawals, cooling off periods, cut-off times for transacting, timing for distributions, additional fees and costs and investor reporting).

As at the date of this PDS, Sandhurst is not responsible for the operation of any Platform through which you invest. If you are investing through a Platform, enquiries and complaints should be directed to the operator of that Platform, not to Sandhurst. In addition to reading this PDS, you should read the document that explains the Platform, as issued by your Platform Operator.

3. Benefits of investing in the Adelaide Cash Management Trust

The significant features and the significant benefits of the Trust include:

- **Secure and competitive returns:** All funds are invested on deposit with the Bank, where a return equal to the official cash rate set by the Reserve Bank of Australia (before fees) is targeted.
- **A simple and convenient way to invest:** The Trust is designed to make investing easy for you. We handle all the investment decisions, paperwork and administration, and provide you with regular information and reporting on your CMT account. Our application process is straightforward and our friendly staff are on hand to assist you with any queries regarding your CMT account.
- **Regular income:** The Trust provides you with a regular income stream, with monthly distributions reinvested into your CMT account.
- **Competitive management costs:** Management costs are deducted from the Trust's income before it is distributed to investors.
- **Availability of transaction services:** Using the Bank's transaction services, you can have access to phone and online banking, BPAY®, debit cards, personal cheque books and regular payment services (note that transaction service fees apply to your CMT account. Refer to section 6).
- **A responsible entity with a proven record:** Sandhurst aims to create wealth for investors by employing a disciplined and conservative approach to managing quality assets.

The Trust aims to provide a simple, cost-effective solution to help you save for your future.

The Trust may be the ideal way to consolidate your cash as the central point or 'hub' of your investment portfolio.

4. Risks of managed investment schemes

The purpose of this section is to inform you of the types of significant risks that may apply to an investment in the Trust and is a summary only. It does not purport to be a comprehensive statement of all the risks.

All investments carry risk. Different investment strategies may carry different levels of risk, depending on the assets that make up the investment strategy. Generally, assets with the highest long-term returns may also carry the highest level of short-term risk.

The significant risks of investing in the Trust are summarised as follows:

- **Market and political risk:** The Trust may be impacted either directly or indirectly by market and/or political risk. Factors that may influence the market include economic, technological, political, taxation, country, legal conditions and market sentiment.
- **Trust risk:** The Trust could be terminated, the fees and expenses could change, Sandhurst could be replaced as the responsible entity, and other key personnel could change. Sandhurst believes the Trust has low risk of capital loss, the repayment of capital from the Trust is not guaranteed. This means you could lose some or all of your investment if the Trust is wound up.
- **Interest rate risk:** The return on your investment will be directly affected by the changes to the official cash rate, which is determined by the Reserve Bank of Australia having regard to a number of factors. These may include Australian and overseas interest rates, market liquidity, exchange rates, monetary policy and other economic, social and political factors.

- **Regulatory risk:** Investment performance may be affected by changes to government policies, regulations and taxation laws.
- **Counterparty risk:** Counterparty risk represents the loss that would be recognised if counterparties (i.e. the other parties to contracts such as custodians, security dealers or derivative counterparties) fail to perform as contracted.

The significant risks of investing in managed investment schemes include that:

- the value of investments will vary over time;
- the level of returns will vary and future returns may vary from past returns;
- returns are not guaranteed and you may lose some of your money;
- laws affecting managed investment schemes may change in the future; and
- the level of risk for you will vary depending on a range of factors including, age, investment time frames, where other parts of your wealth are invested and your risk tolerance.

Sandhurst's risk management objective is to deliver risk/return outcomes in line with investors' expectations. However, we do not guarantee future profitability, Trust returns, distributions or return of capital. The performance of the Trust is regularly monitored to assess whether the investment policy and the objectives of the Trust are being met.

You should consult with your financial adviser to properly understand the risks associated with the Trust and your attitude to investment risk.

Sandhurst, the Bank and its related entities do not guarantee the repayment of capital invested, the payment of income or the Trust's investment performance. An investment in the Trust does not represent a deposit with, or a liability of Sandhurst, the Bank and its related entities. The Bank does not stand behind or guarantee the performance of Sandhurst.

Sandhurst is not an authorised deposit-taking institution within the meaning of the Banking Act 1959.

5. How we invest your money

The Trust offers a single investment option where investors' funds are pooled together and are solely invested on deposit with the Bank. The Trust may act as a transactional 'hub' for an investor's portfolio.

Adelaide Cash Management Trust

Investment return objective	To meet the performance benchmark (before fees).	
Investment strategy	The Trust will invest in cash. All cash is invested on deposit with the Bank.	
Performance benchmark	Official cash rate set by the Reserve Bank of Australia. Note the benchmark is not a guarantee of Trust performance.	
Strategic asset class allocation	Cash	100%
Minimum suggested investment timeframe	As interest is calculated daily and distributions are paid monthly (or upon your CMT account closure) and as there are no establishment, contribution, withdrawal or exit fees, there is no minimum investment timeframe for holding the investment.	
Type of investor for whom this investment is suited	An investment in the Trust is intended to suit an investor primarily seeking capital security and regular income. The Trust may suit the defensive asset allocation of your total portfolio.	
Risk level	This Trust is considered by Sandhurst to be a very low risk investment.	
Changes to the Trust	We have the right to terminate the Trust or change the Trust's investment return objective (including the performance benchmark), without providing prior notice to investors in some cases. We will inform investors of any material changes to the Trust in accordance with the law.	

Warning: When choosing whether to invest in the Trust, you should consider:

- the likely investment return;
- the risk; and
- your investment timeframe.

For up-to-date information on the Trust and the latest performance summary, please visit our website www.sandhursttrustees.com.au.

Labour standards, or environmental, social or ethical considerations

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

6. Fees and costs

Did you know?

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

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

To find out more

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

ASIC Class Order [CO 14/1252] applies to this PDS.

The managed funds fee calculator on the ASIC website (www.moneySMART.gov.au) can also be used to calculate the effect of fees and costs on account balances.

Taxation information is set out in section 7 of this PDS.

The following table shows the fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the assets of the Trust as a whole. The information in the adjacent table can be used to compare costs between different simple managed investment schemes.

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

All the fees and costs shown in this section include stamp duty and GST less the maximum applicable reduced input tax credits unless otherwise stated.

Adelaide Cash Management Trust		
TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
Fees when your money moves in or out of the managed investment product¹		
<i>Establishment fee</i> The fee to open your investment	Nil	Not applicable
<i>Contribution fee</i> The fee on each amount contributed to your investment	Nil	Not applicable
<i>Withdrawal fee</i> The fee on each amount you take out of your investment	Nil	Not applicable
<i>Exit fee</i> The fee to close your investment	Nil	Not applicable
Management costs*		
<i>The fees and costs for managing your investment²</i>	0.50% p.a. of your account balance	Management costs are calculated daily on the Trust's net asset value and are deducted from the Trust's income at the end of each month before it is distributed to investors.
Service fees		
<i>Switching fee</i> The fee for changing investment options	Nil	Not applicable

* The amount of this fee can be negotiated. See "Differential fee arrangements" under the heading "Additional explanation of fees and costs" for more information.

¹ Transaction service fees may apply depending on the transaction service used. See "Transaction service fees" under the heading "Additional explanation of fees and costs" for more information.

² This fee may include an amount payable to an adviser. See "Adviser Remuneration" under the heading "Additional explanation of fees and costs" for more information.

Warning: Additional fees may be paid to a financial adviser if a financial adviser is consulted. Please refer to the Statement of Advice in which details of the fees are set out.

Additional explanation of fees and costs

Management costs

Management costs are the total fees and costs incurred in managing the Trust, comprising the management fee paid to Sandhurst for administering the Trust, custodial costs, distribution costs, and other expenses and reimbursements in relation to the Trust.

The Trust's Constitution allows Sandhurst to recover, from the Trust, all costs, charges, expenses and outgoings reasonably and properly incurred by Sandhurst in the proper performance of its duties in administering the Trust. Custodial costs, administrative expenses and other expenses and reimbursements are based on the past financial year's actual costs. Expenses and reimbursements may include, but are not limited to audit, taxation, PDS, legal, establishment, stationery, postage and compliance costs.

Management costs may increase or decrease over time depending on the amounts comprising the management costs described above. The management costs are calculated on the Trust's net asset value, accrued daily, and the management fee, which is a portion of management costs, is paid monthly in arrears to Sandhurst from the Trust's income prior to making a distribution. The management costs (including the management fee) are recovered from the Trust and are not directly deducted from your account.

Adviser Remuneration

No trail or upfront commissions are payable by us to financial advisers on any CMT accounts established from 1 July 2013 in the Trust. However, trail commissions on existing CMT accounts acquired before 1 July 2013 will continue to be paid of up to 0.44% p.a. (including GST) to advisers subject to compliance with the law. This amount is paid monthly on the average balance of your CMT account. Details of this commission will be set out in the Financial Services Guide and/or Statement of Advice which your adviser will give you.

These amounts are paid by Sandhurst out of its own resources, they are not an additional cost to investors.

Maximum fees and waiver

Under the Trust's Constitution, Sandhurst is permitted to charge a management fee of up to 0.75% per annum of the net asset value of the Trust.

The Constitution does not allow Sandhurst to charge an establishment fee, contribution fee, withdrawal fee or termination fee.

The Constitution gives Sandhurst the right to accept lower fees than we are entitled to receive under the Constitution, to defer payment or to waive our entitlement to such fees. The Constitution also allows Sandhurst to recover all proper expenses from the Trust.

Changes to fees

Fees and costs can be changed at any time by Sandhurst in accordance with the Trust's Constitution without your consent.

If fees and charges payable to Sandhurst increase, you will be given at least 30 days' prior notice.

Differential fee arrangements

From time to time Sandhurst may negotiate the charging, rebating or waiving of management fees, as stated above, in circumstances permitted by the Corporations Act or if applicable relief is granted by ASIC, with certain 'wholesale clients' (as defined in the Corporations Act) and Platform Operators (as defined on page 3 of this PDS). Such negotiations are undertaken on a case-by-case basis and only for wholesale clients who invest significant amounts of money in the Trust. Any such arrangement will be entered into in accordance with the requirements of the Corporations Act.

Sandhurst does not negotiate fees with retail investors or individual Platform investors. Requests to negotiate fees must be put in writing to Sandhurst and sent to:

Sandhurst Trustees Limited
Adelaide Cash Management Trust
GPO Box 1048, Adelaide SA 5001

Alternative remuneration

Subject to the law, Sandhurst may provide remuneration to financial advisers and Platform providers indirectly by paying them additional amounts and/or non-monetary benefits. If these amounts or benefits are provided, they are payable out of the fees and costs we receive and are not an additional cost to you.

Transaction services fees

The Bank may charge you fees for using their services in accordance with the Guide. These fees are separate to the fees and costs that apply to your investment in the Trust. These fees and costs only apply to the extent that you use these services from the Bank. Transaction services fees will not apply if you do not use these services. The Guide sets out the fees and costs in relation to the transaction services provided by the Bank. Transaction services fees are subject to change. Notice of changes will be provided to you in accordance with the methods set out in the Guide. The Guide can be located on the website at www.sandhursttrustees.com.au/CMTGuide.

If you request a bank cheque withdrawal from your CMT account you will incur a \$10 bank cheque fee. This is in-line with the fee charged by the Bank to Sandhurst for this service.

Tax

For information about tax, please see section 7 "How managed investment schemes are taxed".

Example of annual fees and costs for the Trust

The following table gives an example of how the fees and costs for the Trust can affect your investment over a one-year period. You should use this table to compare the Trust with other managed investment products.

EXAMPLE: Adelaide Cash Management Trust		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	0.50% p.a.	And , for every \$50,000 you have in the Adelaide Cash Management Trust, you will be charged \$250 each year.
EQUALS Cost of Adelaide Cash Management Trust		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: \$250 * What it costs you will depend on the fees you negotiate.

* The actual amount you will be charged depends on the timing of additional investments. This example assumes that the additional contribution of \$5,000 is invested at the end of the year. For this Trust, the minimum initial investment is \$5,000 and the minimum operating balance is \$1,000. There is no minimum additional investment requirement.

7. How managed investment schemes are taxed

Warning: Investing in a registered managed investment scheme is likely to have tax consequences. The Australian taxation system is complex and individual investors have different circumstances. Persons are strongly advised to seek professional tax advice.

In summary, when investing in the Trust, investors should note that:

- Registered managed investment schemes generally do not pay tax on behalf of investors.
- Investors will be assessed for tax on income generated by the Trust in the year to which their entitlement relates, irrespective of whether the income is reinvested in additional units or the income payment occurs at a later date.
- Tax components of Trust distributions will be allocated to investors on a fair and reasonable basis.
- The Trust has made a 'capital election' under the tax regime for Managed Investment Trusts (MIT) and it continues to be an eligible MIT.

The brief summary of taxation information provided above relates only to Australian tax residents who hold their Trust units on capital account for income tax purposes. You should not rely on this summary.

Tax on your distributions

Australian resident investors will be generally subject to tax on their share of the taxable income of the Trust including amounts reinvested. In 2010 the Federal Government introduced a 'capital election' for eligible Managed Investment Trusts and the election is made on a fund by fund basis.

Tax statements

The way in which investors are taxed will depend on the character of the distributions they receive. We will send you an annual tax statement indicating the components of your interest income, usually within 30 days after the end of each financial year, to assist you in completing your tax return.

Goods and Services Tax (GST)

Fees and costs in respect of acquisitions by the Trust will often be subject to GST. The Trust may not be entitled to claim an input tax credit for the full amount of that GST, however, it may be entitled to reduced input tax credits on any GST paid. The GST included in expenses that cannot be claimed as an input tax credit will be a net cost and can be recouped from the Trust. If the GST rate increases, the Trust's Constitution allows Sandhurst to recoup the extra amount from the Trust.

Capital gains when you withdraw from the Trust

Australian residents who invest in the Trust are generally subject to the capital gains tax regime when they deal with their units, including where they redeem units and withdraw money from the Trust. Where the investor is regarded as a trader, short-term investor or institutional investor, such profits may be regarded as ordinary income. You will have a capital gain if the capital proceeds exceed the cost base of your units, or a capital loss if the reduced cost base of your units exceeds the capital proceeds.

If you have a capital gain and you are an individual, trustee or complying superannuation fund and you have held your interest in the Trust for at least 12 months on capital account, you should be entitled to apply the applicable capital gains tax discount.

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

It is not compulsory for you to quote your TFN or ABN. If you do not quote your TFN or ABN, or claim an exemption, we may be required to withhold tax from distributions at the highest marginal tax rate plus applicable levies.

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

Foreign taxes and foreign tax compliance

Australian and foreign taxes may be imposed where the Trust's investments or dealings have some connection with a foreign jurisdiction. Foreign laws are varied and can apply in uncertain ways. If the Trust suffers any amount of Australian or foreign tax, or is required to withhold any amount in respect of Australian or foreign tax, neither Sandhurst nor the Trust will be required to compensate investors for any such tax, and the effects of these amounts will be reflected in the returns of the Trust.

In addition, there are certain consequences that may occur if an investor is, or becomes, a foreign entity, a foreign citizen, resides in a foreign country or has some connection with a foreign country. These consequences may apply pursuant to certain global reporting requirements, such as the Foreign Account Tax Compliance Act (FATCA) in the US. The Trust is required to comply with these requirements. Accordingly, Sandhurst may request that you provide certain information about yourself in order for Sandhurst to comply with these obligations.

Pension and benefits

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

Taxation reform

The Government has passed new income tax legislation that implements an Attribution Managed Investment Trust (AMIT) tax regime for eligible Managed Investment Trusts (MIT). The legislation applies for tax years commencing 1 July 2016 where the MIT makes an appropriate election.

8. How to apply

Investing in the Trust is a two step process:

- complete and send in the Application Form which is available from our website at www.sandhursttrustees.com.au/forms; and
- send your initial investment to us:
 - a) by cheque in accordance with the instructions contained in the Application Form;
 - b) by direct credit from your financial institution; or
 - c) by using the Bank's transaction services. You will receive a welcome letter which includes your personalised details required to use these services.

Cooling-off

Subject to the Corporations Act and the Corporations Regulations, retail investors have the right to return their units in the Trust to Sandhurst and to have their investment repaid. However, this right does not apply in certain circumstances, such as where the units acquired were offered or issued under distribution reinvestment plans, acquired as additional contributions and where the units were issued at the time when the Trust is not liquid.

If after investing in the Trust you change your mind and wish to exercise your cooling-off right, you may notify Sandhurst in writing or electronically and request that your investment be repaid. The right to cool off can only be exercised during the period of 14 days from the earlier of:

- the time you receive written confirmation of your CMT account from Sandhurst; and
- the end of the 5th business day after the day on which the units were issued to you.

The amount refunded will be adjusted to take account of any increases or decreases in the value of your CMT account, any transaction service fees and any reasonable administration expenses. If a distribution has occurred between acceptance of your application by Sandhurst and receipt of your notification to cool off during the cooling-off period, there may be taxation implications for you. We suggest that you seek professional tax advice in these circumstances.

Complaints

If you have a complaint about Sandhurst, the Trust or the complaints handling process itself, you should call 1800 224 124 or write to:

The Complaints Officer
Sandhurst Trustees Limited
GPO Box 1048
Adelaide SA 5001

All complaints will be properly considered and dealt with within 45 days of receipt. Once we have investigated your complaint, you will receive a written reply explaining our decision when required by law.

If you are not satisfied with the handling of your complaint, or the complaint is not dealt with within 45 days, you may contact the Financial Ombudsman Service Australia on 1800 367 287.

9. Other information

Keeping you informed

We will provide you with a statement confirming your initial investment.

We will also send you:

- a monthly transaction statement on or following the first business day of each month;
- an annual transaction statement to assist you with your tax return;
- an annual report if you elect to receive one (the Trust's annual report is also available at www.sandhursttrustees.com.au); and
- any other communications required by the law.

Continuous disclosure requirements

The Trust is considered a 'disclosing entity' while it has 100 or more investors. A disclosing entity is subject to regular reporting and continuous disclosure requirements under the Corporations Act. While the Trust is a disclosing entity, you will be able to obtain from, or inspect at, an ASIC office copies of any documents lodged with ASIC in relation to the Trust. If applicable, you may also obtain from Sandhurst, free of charge, copies of:

- the most recent annual financial report lodged with ASIC;
- any half yearly financial report lodged with ASIC; and
- any continuous disclosure notices lodged with ASIC.

Some of these documents (including continuous disclosure notices) will also be available from www.sandhursttrustees.com.au.

Related party transactions

The Trust may, without limitation, invest in other funds, products or platforms of which we, or a related entity, are the issuer, operator or responsible entity. Sandhurst, in its capacity of responsible entity, may use services provided by the Bendigo and Adelaide Bank Group such as distribution, legal, IT and marketing. Any fees paid to a member of the Bendigo and Adelaide Bank Group for these services are paid by Sandhurst from its own resources and not out of the Trust, other than the custody and administration costs which are included in the management costs as mentioned in section 6.

Sandhurst has a process for managing conflicts of interest and related party transactions which ensures that all transactions engaged in by Sandhurst are assessed for any conflicts of interest and to ensure they are reasonable 'arm's length' transactions based on appropriate commercial terms.

Consents

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

Authorised operators

You may appoint a person aged 18 years or older, a company, a partnership and/or your financial adviser to be an authorised operator on your CMT account.

Each activity on your CMT account by an authorised operator is subject to the same terms and conditions that would apply if you had undertaken the activity on the CMT account.

The types of functions your authorised operator(s) can perform on your CMT account will depend on whether you grant them a limited or full access authority as set-out in the Application Form. If you open your CMT account through your financial adviser, they are automatically authorised as a limited access operator on your CMT account.

To add, delete or modify an authorised operator, change their level or authority or for associated terms and conditions, locate the Authorised Operator Form on our website at www.sandhursttrustees.com.au/forms.

Privacy

From time to time, Sandhurst will need to collect from you and verify personal information about you (and where applicable, people acting on your behalf) in order to properly administer the financial products you have requested and to comply with its legal obligations. Sandhurst collects, uses, discloses and stores your personal information in accordance with its privacy policy and the Privacy Act 1988 (Cth).

You can request access to your personal information or Sandhurst's full privacy policy by contacting our Customer Service Centre on 1800 224 124. The full privacy policy can also be obtained by visiting www.sandhursttrustees.com.au.

