



Alpha Fund Managers Reference Guide



The best fund managers. The latest opportunities.

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Investment Manager

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Responsible Entity

Equity Trustees Limited
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Unit Registry

Fund BPO Pty
ACN 118 902 891

Lvl 1, 51-57 Pitt Street
Sydney NSW 2000
Phone: 1300 133 451
www.mainstreambpo.com

Contents

1. Investing in the Alpha Funds	2
2. Managing your investment	3
3. Redeeming your investment	3
4. Performance fees	4
5. Enquiries and complaints	4
6. Other important information	5
7. Glossary	6
8. Direct Debit Request Service Agreement	8



ABOUT THIS REFERENCE GUIDE

This Reference Guide has been prepared and issued by Equity Trustees Limited (Equity Trustees). The information in this document forms part of Product Disclosure Statement ("PDS") issued by Equity Trustees. The PDS and this Reference Guide are available on www.alphafundmanagers.com.au or www.eqt.com.au/insto or you can request a copy by calling Equity Trustees.

1. Investing in the Alpha Funds

APPLICATION CUT-OFF TIMES

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

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

We will only start processing an application in the following instances:

- for investors who apply directly (not via mFund):
 - if we consider that you have correctly completed the Application Form;
 - if you have provided us with the relevant identification documents, if required; and
 - if we have received the application money (in cleared funds) stated in your Application Form. The time it takes for application money to clear varies depending on how you transfer the money and your bank (it may take up to four Business Days); and
- or investors who apply via mFund:
 - if we receive an application for units via mFund; and
 - if we receive the relevant application money (in cleared funds).

We will not investigate whether an application for units received by Equity Trustees via mFund has been made with the authority of the applicant.

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

COOLING-OFF RIGHTS

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

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

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

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

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

2. Managing your investment

AUTHORISED SIGNATORIES

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

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

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

If you do appoint an authorised signatory:

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

REPORTS

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

- a transaction confirmation statement, showing a change in your unit holding (provided when a transaction occurs or on request);
- distribution statements issued in line with the distribution frequency of the Fund in which you invest;
- the relevant Fund's half-yearly financial account (if applicable);
- the relevant Fund's annual audited accounts for each period ended 30 June; and
- annual tax and confirmation of holdings statements for each period ended 30 June.

3. Redeeming your investment

REDEMPTION CUT-OFF TIMES

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

REDEMPTION TERMS

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

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

REDEMPTION RESTRICTIONS

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

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

4. Performance fees

HOW THE PERFORMANCE FEE IS CALCULATED

The following is a high level summary of how the performance fee is calculated.

The method for calculating the Investment Manager's performance fee for each of the Alpha Funds for each 12 month period ending 30 June ('Performance Fee Period') is as follows.

- For each Business Day in the Performance Fee Period the daily investment return of the Fund (before responsible entity fees and expense recoveries) is calculated to determine the investment return of the Fund and whether the Benchmark return for that Business Day has been exceeded.
- The daily investment return of the Fund for a Business Day is calculated by dividing the amount of the net asset value of the Fund for that Business Day less the amount of net capital inflows for that Business Day, by the net asset value for the previous Business Day.
- The daily performance fee amount is then calculated. This amount is equal to 20.50% (net of GST and RITCs) of the difference between the daily investment return of the Fund and the Benchmark return. The daily performance fee amount can be a positive or negative amount depending on whether or not the Benchmark return has been exceeded.
- The daily performance fee amounts are aggregated and, where the aggregate performance fee amount is positive then the aggregate performance fee amount is reflected in the unit price as an expense provision.
- Where the aggregate performance fee amount is negative, no performance fee accrual will be reflected in the unit price and the negative balance will not be reflected in the unit price.
- Where the aggregate performance fee amount is positive at the end of each Performance Fee Period, the aggregate performance fee amount is paid in arrears to the Investment Manager by deduction from the Fund's assets at the end of each Performance Fee Period.

UNDERLYING INVESTMENT MANAGERS

Performance fees may also be payable to certain investment managers of the underlying investments into which the Fund invests. These fees are calculated in various ways and may involve fees of up to 20.5% p.a. net of GST and RITC of the amount by which the performance of the underlying fund exceeds a specified performance hurdle. Such fees are reflected in the unit price for the underlying funds.

PERFORMANCE FEE ESTIMATES

The Responsible Entity does not consider there is any reasonable basis on which it may estimate performance fees for the Alpha Funds or the underlying funds. To estimate for performance fees would involve speculation about the future performance of the funds. The Responsible Entity therefore considers that to estimate for performance fees may potentially be misleading.

5. Enquiries and complaints

KEEPING IN TOUCH

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

Alpha Fund Managers Pty Ltd
Level 1, Cnr Maroochydore Road & Evans Street
Maroochydore QLD 4558

PO Box 1856
Sunshine Plaza
Maroochydore QLD 4558

Phone: (02) 8209 3915
Fax: (02) 8209 3919

Email: enquiries@alphafundmanagers.com.au
Web: www.alphafundmanagers.com.au

MAKING A FORMAL COMPLAINT

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

Compliance Team
Equity Trustees Limited
GPO Box 2307
Melbourne VIC 3001

Email: compliance@eqt.com.au
or call us on 1300 555 378

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

THE FINANCIAL OMBUDSMAN SERVICE (FOS)

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

Financial Ombudsman Services
GPO Box 3
Melbourne VIC 3001

Telephone: 1300 780 808
Email: info@fos.org.au

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

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

6. Other important information

YOUR PRIVACY

When you provide instructions to Equity Trustees or its related bodies corporate, Equity Trustees will be collecting personal information about you. You must ensure that all personal information which you provide to Equity Trustees is true and correct in every detail, and should your personal details change it is your responsibility to ensure that you promptly advise Equity Trustees of the changes in writing. This information is needed to facilitate, administer and manage your investment, and to comply with Australian taxation laws and other laws and regulations. Otherwise, your application may not be processed or Equity Trustees and its delegates will not be able to administer or manage your investment.

The information that you provide may be disclosed to certain organisations, including but not limited to:

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

Currently Equity Trustees does not disclose any privacy information to parties outside Australia but it is subject to change.

Equity Trustees may from time to time provide you with direct marketing and/or educational material about products and services Equity Trustees believes may be of interest to you. Should you not wish to receive this information from Equity Trustees (including by email or electronic communication), you have the right to "opt-out" by advising Equity Trustees by telephoning (03) 8623 5000, or alternatively by contacting us via email at privacy@eqt.com.au.

Subject to some exceptions allowed by law, you can ask for access to your personal information. We will give you reasons if we deny you access to this information. Equity Trustees Privacy Statement outlines how you can request to access and seek the correction of your personal information. Equity Trustees Privacy Statement is available at www.eqt.com.au and can be obtained by contacting Equity Trustees Privacy Officer on (03) 8623 5000, or alternatively by contacting us via email at privacy@eqt.com.au.

Equity Trustees Privacy Statement contains information about how you can make a complaint if you think Equity Trustees has breached your privacy and about how Equity Trustees will deal with your complaint.

You should refer to Equity Trustees Privacy Statement for more detail about the personal information that Equity Trustees collects and how Equity Trustees collects, uses and discloses your personal information.

THE CONSTITUTION

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

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

ANTI-MONEY LAUNDERING AND COUNTER TERRORISM FINANCING (“AML/CTF”)

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

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

Under the AML/CTF laws, Equity Trustees may be required to submit reports to AUSTRAC. This may include the disclosure of your personal information. The Responsible Entity may not be able to tell you when this occurs and, as a result, AUSTRAC may require Equity Trustees to deny you (on a temporary or permanent basis) access to your investment. This could result in loss of the capital invested, or you may experience significant delays when you wish to transact on your investment.

Neither Equity Trustees or Alpha Fund Managers are liable for any loss you may suffer because of compliance with the AML/CTF laws.

If you apply for units via mFund you will provide the KYC Documents to your broker rather than Equity Trustees.

INDIRECT INVESTORS

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

Indirect Investors do not receive reports or statements from us and the IDPS Operator’s redemption conditions determine when you can redeem. Your rights as an Indirect Investor should be set out in the disclosure document issued by the IDPS Operator.

NAV FOR THE FUND

The NAV for the Fund is available at <http://www.eqt.com.au/business-partners/mfund-product-issuer>.

FATCA

The Fund is required to comply with the US Foreign Account Tax Compliance Act (“FATCA”) when arrangements are made under Australian tax law. To comply with these requirements, the Fund will collect certain additional information from you and will disclose such information to the ATO or the US Internal Revenue Service, where required.

7. Glossary

BUSINESS DAY

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

DERIVATIVES

A derivative is a financial instrument whose value is derived from another security, liability or index. The most common derivatives are futures, options, and swaps.

IDPS

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

IDPS OPERATOR

The entity responsible for managing an IDPS.

INDIRECT INVESTORS

Individuals who invest in a fund through an IDPS.

MFUND

The mFund Settlement Service

RETAIL CLIENT

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

RITC

Reduced input tax credit

WE, US

Refers to Equity Trustees and / or Alpha Fund Managers.

WHOLESALE CLIENT

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

US PERSON

A person so classified under securities or tax law in the United States of America ("US") including, in broad terms, the following persons:

- (a) any citizen of, or natural person resident in, the US, its territories or possessions; or
 - (b) any corporation or partnership organised or incorporated under any laws of or in the US or of any other jurisdiction if formed by a US Person (other than by accredited investors who are not natural persons, estates or trusts) principally for the purpose of investing in securities not registered under the US Securities Act of 1933; or
 - (c) any agency or branch of a foreign entity located in the US; or
 - (d) a pension plan primarily for US employees of a US Person; or
 - (e) a US collective investment vehicle unless not offered to US Persons; or
 - (f) any estate of which an executor or administrator is a US Person (unless an executor or administrator of the estate who is not a US Person has sole or substantial investment discretion over the assets of the estate and such estate is governed by non-US law) and all the estate income is non-US income not liable to US income tax;
- or
- (g) any trust of which any trustee is a US Person (unless a trustee who is a professional fiduciary is a US Person and a trustee who is not a US Person has sole or substantial investment discretion over the assets of the trust and no beneficiary (or settlor, if the trust is revocable) of the trust is a US Person); or
 - (h) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US Person; or
 - (i) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated or (if an individual) resident in the US for the benefit or account of a US Person.

8. Direct Debit Request Service Agreement

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

The following is your Direct Debit Service Agreement ("Agreement") with FundBPO Pty Ltd ABN 81 118 902 891 ("FundBPO"), who acts as the Fund Administrator of each Fund. The Agreement is designed to explain what your obligations are when undertaking a Direct Debit arrangement with FundBPO. It also details what FundBPO's obligations are to you as your Direct Debit Provider. We recommend you keep this information in a safe place for future reference. It forms part of the terms and conditions of your Direct Debit Request in the relevant sections of the Application Form or Additional Application Form (as applicable).

Definitions:

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

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

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

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

Direct Payment means a particular transaction where a debit is made

Direct Debit Request means the direct debit request in the Application Form or Additional Application Form

Us or We means FundBPO, (the "Debit User") you have authorised by signing a Direct Debit Request

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

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

1. DEBITING YOUR ACCOUNT

- 1.1 By signing a direct debit request or by providing us with a valid instruction, you have authorised us to arrange for funds to be debited from your account. You should refer to the direct debit request and this agreement for the terms of the arrangement between us and you.
- 1.2 We will only arrange for funds to be debited from your account as authorised in the direct debit request. or
We will only arrange for funds to be debited from your account if we have sent to the address nominated by you in the direct debit request, a billing advice which specifies the amount payable by you to us and when it is due.
- 1.3 If the debit day falls on a day that is not a banking day, we may direct your financial institution to debit your account on the following banking day. If you are unsure about which day your account has or will be debited you should ask your financial institution.

2. AMENDMENTS BY US

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

3. AMENDMENTS BY YOU

- 3.1 You may change, stop or defer a debit payment, or terminate this agreement by providing us with at least fourteen (14) days notification by writing to:
Unit Registry FundBPO Pty Ltd GPO BOX 4968 Sydney NSW 2001
or
by telephoning us on 1300 133 451 during business hours;
or
arranging it through your own financial institution.

4. YOUR OBLIGATIONS

- 4.1 It is your responsibility to ensure that there are sufficient clear funds available in your account to allow a debit payment to be made in accordance with the direct debit request.
- 4.2 If there are insufficient clear funds in your account to meet a debit payment:
 - a) you may be charged a fee and/or interest by your financial institution;
 - b) you may also incur fees or charges imposed or incurred by us; and
 - c) you must arrange for the debit payment to be made by another method or arrange for sufficient clear funds to be in your account by an agreed time so that we can process the debit payment.

- 4.3 You should check your account statement to verify that the amounts debited from your account are correct.
- 4.4 If we are liable to pay goods and services tax ("GST") on a supply made in connection with this agreement, then you agree to pay us on demand an amount equal to the consideration payable for the supply multiplied by the prevailing GST rate.

5. DISPUTE

- 5.1 If you believe that there has been an error in debiting your account, you should notify us directly on 1300 133 451 and confirm that notice in writing with us as soon as possible so that we can resolve your query more quickly. Alternatively you can take it up with your financial institution directly.
- 5.2 If we conclude as a result of our investigations that your account has been incorrectly debited we will respond to your query by arranging for your financial institution to adjust your account (including interest and charges) accordingly. We will also notify you in writing of the amount by which your account has been adjusted.
- 5.3 If we conclude as a result of our investigations that your account has not been incorrectly debited we will respond to your query by providing you with reasons and any evidence for this finding in writing.

6. ACCOUNTS

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

7. CONFIDENTIALITY

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

8. NOTICE

- 8.1 If you wish to notify us in writing about anything relating to this agreement, you should write to:
FundBPO Pty Ltd GPO Box 4968 Sydney NSW 2001
- 8.2 We will notify you by sending a notice in the ordinary post to the address you have given us in the Direct Debit Request.
- 8.3 Any notice will be deemed to have been received on the third banking day after posting.



07 5458 9400

enquiries@alphafundmanagers.com.au

www.alphafundmanagers.com.au

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The latest opportunities.*