



# ELLERSTON CAPITAL

11 January 2012

## Ellerston Overlay ASF Information Memorandum

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# Ellerston Overlay ASF

## IMPORTANT INFORMATION

Ellerston Capital Limited ABN 34 110 397 674, AFSL 283 000 (Ellerston Capital, the Manager or we) is the issuer of this Information Memorandum (IM) dated 11 January 2012. Investments in the Ellerston Overlay ASF (Fund) are made available by Ellerston Capital as the trustee of the Fund. Units in the Fund are available for issue under this IM.

An application for Units under this IM may only be made on the Application Form accompanying this IM. The Application Form contains important terms relating to the Fund and should be read in full before deciding to invest. The Application Form does not form a part of this IM. A person may not pass on the Application Form onto another person unless it is accompanied by a printed copy of this IM or a complete and unaltered version of this IM.

The information in this IM is general information only and does not take into account your individual objectives, financial situation or needs. It is important that you carefully read this IM in full before deciding to invest in Units. In particular, you should carefully consider the risks associated with an investment in the Fund and whether the information in this IM is appropriate for you in light of your objectives, financial situation and needs. To obtain advice or more information about the product offered in this IM you should speak to your financial adviser or other professional adviser.

You should rely only on information in this IM. No person is authorised to provide any information, or to make any representations, in connection with the issue of Units, which is not contained in this IM. Any information or representations not contained in this IM may not be relied upon as having been authorised by the Manager in connection with the issue of Units. This IM supersedes and replaces all previous representations made in respect of the Manager, the Fund and the issue of Units.

This IM only constitutes an offer of or invitation to apply for financial products to persons within Australia or in places where it is lawful to make such an offer or invitation. Units in the Fund are not available for purchase within the United States or by US Persons (refer Glossary – Section 9).

If you access an electronic copy of this IM, then you should ensure that you download and read the entire IM and the Application Form. A paper copy of this IM (including any supplementary document) can be obtained free of charge by calling Ellerston Capital on (02) 9021 7797 or by emailing [info@ellerstoncapital.com](mailto:info@ellerstoncapital.com).

You will be asked to provide personal information to us (directly or through the Administrator) if you apply for Units. For information about how the Manager collects, holds and uses this personal information see Section 8.7.

An investment in the Fund is subject to investment and other risks, including possible delays in repayment, loss of income and loss of principal invested. Investments in the Fund are not deposits with or other liabilities of Ellerston Capital, any member of the Ellerston Capital Group or related bodies corporate, affiliates, associates or officers of any of the above entities. None of these entities guarantee any particular rate of return or the performance of the Fund nor do they guarantee the repayment of capital from the Fund. There are no forecasts or prospective financial information relating to the Fund in this IM.

No person other than Ellerston Capital has caused or authorised the issue of this IM nor do any of them take any responsibility for the preparation of this IM or the establishment or performance of the Fund. All actions referred to in this IM as being taken by the Fund are performed by Ellerston Capital as trustee of the Fund or its delegates, as the case may be, in respect of the Fund.

The Manager reserves the right to vary the Offer, including closing the Offer at any time, accepting late applications, changing the timing of the Offer, either generally or in particular cases, without notifying any recipient of this IM or any applicants. Investors are encouraged to submit their applications as soon as possible.

Subject to the law and the Constitution, the Manager may change at any time the information, terms and conditions set out in this IM and otherwise applying to Units. Where a person is a Unitholder, they will be provided with at least 30 days written notice of any such change which is materially detrimental to them as a Unitholder including any change to fees. Unitholders who redeem their Units prior to the change will ordinarily not be bound by the change. Where a change is not materially adverse to investors, the information may be made available at: [www.ellerstoncapital.com](http://www.ellerstoncapital.com). Investors may obtain a paper copy of this information free of charge by contacting the Manager using the details in the Corporate Directory.

Certain capitalised expressions used in this IM have defined meanings, which are explained in the Glossary - Section 9. References to \$ or A\$ are to Australian dollars.

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# 1. Key Features

This Information Memorandum (**IM**) contains an invitation to invest in Units in the Ellerston Overlay ASF (Fund). This table contains a summary of the key features of the Fund. You should read the IM in full before deciding whether to invest.

FEATURE	OVERVIEW	
INVESTMENT OBJECTIVE	The investment objective of the Ellerston Overlay ASF (Fund) is to provide investors with a return that outperforms the Benchmark whilst delivering additional income through option strategies over time. The Fund aims to achieve this by investing in a concentrated portfolio comprising of no more than 30 Australian listed securities and where possible, enhancing income through the use of Derivatives and shorter term trading strategies. The Fund aims to be invested with a minimum of 90% in physical securities at all times and must maintain a net exposure of 50% or greater. At least 75% of the Fund will be aligned to the portfolio of the Ellerston Australian Share Fund (EASF). The Fund may invest in REITS.	<b>Section 2.2</b>
INVESTMENT PHILOSOPHY	The Manager will use an active, “bottom up” approach to security selection, seeking to identify “mispricing opportunities” and construct a concentrated portfolio of Australian listed securities. To complement this longer term approach to investing adopted by EASF, the Fund will typically seek to take advantage of shorter term opportunities in the market to add alpha.	<b>Section 2.3</b>
INVESTMENTS OF THE FUND	The Fund will invest in Australian listed securities and securities expected to list within three months. The Fund may invest in Australian listed securities through American Depositary Receipts or similar instruments. The Fund may invest in Derivatives with respect to Australian listed securities and in index Derivatives (for example Share Price Indexes). However, the Fund may not invest in over the counter Derivatives. The Fund may invest in cash and cash-like securities.	<b>Section 2.4 and 2.5</b>
FUND STRUCTURE	The Fund is an Australian domiciled unit trust and is not registered with ASIC as a managed investment scheme. The Fund may be registered as a managed investment scheme in the future at the discretion of the Manager.	
PREFERRED INVESTMENT HORIZON	At least five years.	
RISKS	<p>There are a number of risks associated with investing in the Fund. The key risks include:</p> <ul style="list-style-type: none"> <li>the investment returns of the Fund may be subject to economic and market conditions and the circumstances of particular investments. These returns or losses may be magnified by the use of Derivatives; and</li> <li>the Fund’s returns may be volatile compared to the Benchmark return as the Fund’s investments may not be diversified.</li> </ul> <p>This is not a comprehensive summary of all the risks of investing in the Fund. See <b>Sections 3 and 6</b> for more information.</p> <p>Before investing in the Fund, investors should obtain financial advice on whether an investment in the Fund is suitable for their objectives, financial situation and needs.</p>	<b>Sections 3 and 6</b>
MANAGER FEES	<p>The fees include a Management Fee of 0.90% p.a. of the Gross Asset Value and an Outperformance Fee of 15% of the Fund’s investment return over the Benchmark return, after recovering any underperformance in past periods.</p> <p>Refer to <b>Section 4</b> for further information about fees and other costs payable in respect of the Fund.</p>	<b>Section 4</b>
APPLICATIONS	<p>Weekly – with a minimum initial investment amount of \$50,000 and a minimum additional investment amount of \$10,000.</p> <p>Units will be issued on a weekly basis (subject to our ability to suspend or reject applications) provided the application and the Application Amounts are received by the Administrator prior to 2:00pm (Sydney time)</p>	<b>Section Error! Reference source not</b>

FEATURE	OVERVIEW
	<p>one Business Day before the Application Day, unless otherwise agreed by the Manager in its absolute discretion. An Application Day occurs each Friday, or, if a Friday in a week is not a Business Day, the Application Day is the next Business Day.</p> <p style="text-align: right;"><b>found. and 5.2</b></p>
REDEMPTIONS	<p>Weekly – Unitholders may redeem their Units on a weekly Redemption Day by giving the Administrator notice by 2:00pm (Sydney time) five Business Days before the Redemption Day or such lesser period as the Manager may determine, except where redemptions are suspended, and subject to a minimum redemption amount of \$10,000 and a minimum holding of \$50,000. A Redemption Day occurs each Friday, or, if a Friday in a week is not a Business Day, the Redemption Day is the next Business Day.</p> <p style="text-align: right;"><b>Section 5.4</b></p>
DISTRIBUTIONS	<p>Where distributable income is available, distributions will be made half yearly for each period ending 30 June and 31 December in each year. There is no guarantee that any income will be generated.</p> <p style="text-align: right;"><b>Section 5.6</b></p>

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## 2. Ellerston Overlay ASF

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### 2.1. ABOUT THE MANAGER – ELLERSTON CAPITAL

Ellerston Capital, the trustee and manager of the Fund, is a specialist fund manager offering investors a range of managed investment opportunities.

Ellerston Capital focuses on managing equity based strategies for global and domestic clients supported by institutional quality infrastructure.

Ellerston Capital is based in Sydney and holds an Australian Financial Services License (AFSL No. 283000) which regulates its prudential requirements and its delivery of financial services in Australia.

### 2.2 INVESTMENT OBJECTIVE

The Investment Objective of the Fund is to provide investors with a return that outperforms the Benchmark whilst delivering additional income through option strategies over time. The Fund aims to achieve this by investing in a concentrated portfolio comprising of no more than 30 Australian listed securities and where possible, enhancing income through the use of Derivatives and shorter term trading strategies.

The Fund aims to be invested with a minimum of 90% in physical securities at all times and must maintain a net exposure of 50% or greater. At least 75% of the Fund will be aligned to the portfolio of the Ellerston Australian Share Fund (EASF). The Fund may invest in REITS. As the Fund will have a minimum 50% net exposure, the Fund is a long biased equity product.

### 2.3 INVESTMENT PHILOSOPHY AND STRATEGY

The Fund's investment philosophy is built around the assertion that the Australian sharemarket is at times inefficient and "dislocations" or mispricing opportunities frequently prevail across industries and in particular securities. Inefficiencies often result in mispricing of businesses that as investors, the Fund can exploit. Accordingly, the Fund will invest in a concentrated portfolio comprising of no more than 30 Australian listed securities. To complement this longer term approach to investing adopted by EASF, the Fund will typically seek to take advantage of shorter term opportunities in the market to add alpha. This may be implemented by:

- Increasing or decreasing the exposures of the securities in the concentrated portfolio through a shorter term trading strategy by the use of securities and/or options;
- Removing exposures in the EASF that do not have exchange traded options (ETO) available or have lower liquidity and replacing them with high yielding, investment grade securities, which have listed ETOs. Any new securities must have the consent of the portfolio manager of EASF;
- Adjusting short term exposures through Derivatives strategies with the aim of providing additional alpha; and
- Buying or selling Share Price Index Derivatives to protect capital.

We believe that the focus on capital preservation is just as important as the prospect of capital appreciation. The Fund provides access to trading and risk management tools that aim to enhance returns and where possible, tries to preserve capital in times of market volatility.

### 2.4 INVESTMENT UNIVERSE

The investment universe of the Fund includes all Australian listed securities. The Fund may also invest in securities that are expected to list within three months of the Fund's investment. Additionally, the Fund may invest in Australian listed securities through American Depositary Receipts (for example, BHP Billiton American Depositary Receipts) or similar instruments. Securities with a market capitalisation at the time of investment of less than \$300 million will be excluded from the investment selection process. The Fund may also invest in cash and cash-like securities.

The Fund's investment universe also includes all exchange traded Derivatives over Australian listed securities and index Derivatives (for example Share Price Indexes). However, the Fund may not invest in over the counter Derivatives.

## 2.5 DERIVATIVES

Derivatives such as futures, exchange traded options and index options may be used with the objective being to protect or enhance the total performance of the Fund.

## 2.6 PORTFOLIO GUIDELINES

The Fund will not short sell physical securities or borrow securities.

<b>BENCHMARK</b>	S&P/ASX 200 Accumulation Index
<b>INVESTMENT UNIVERSE</b>	<p>Australian listed securities, securities expected to list within three months, or through American Depositary Receipts or similar instruments and Derivatives</p> <p>Exchange traded Derivatives</p> <p>Index Derivatives</p> <p>Cash and cash-like securities</p> <p>No over the counter Derivatives</p>
<b>CAPACITY</b>	The Manager intends to close the Fund to new investors at \$300 million
<b>CAPITALISATION LIMITS</b>	<p>A minimum market capitalisation of \$300 million for each security, at the time of investment</p> <p>Security capitalisation limit: no more than 4.9% of share capital on issue at the time of investment</p>
<b>POSITION LIMITS</b>	Maximum security exposure: 15% of the Net Asset Value of the Fund at the time of investment
<b>EXPOSURE TO AUSTRALIAN SECURITIES</b>	Between 50% and 100%
<b>TARGET GROSS EXPOSURE LIMIT</b>	Between 50% and 150%
<b>TARGET DERIVATIVES LIMITS</b>	<p>Writing options – Maximum position is the number of contracts that will limit the Fund to a +50% overweight (puts) or -50% underweight (calls) of the weighting of that security in the EASF, if assigned. Notwithstanding, securities outside the EASF portfolio can be fully written ie buy-write</p> <p>Buying options – Maximum position is the number of contracts that will limit the Fund to a +50% overweight (calls) or -50% underweight (puts) of the weighting in the EASF</p>

The Fund will have a net equity exposure of between 50% and 100% of the Fund's Net Asset Value. At times, the Fund may, through the use of Derivatives, increase its effective exposure to Cash to up to 50% of the Fund's Net Asset Value however, the Manager will maintain the level of physical Cash and Cash like securities at between 0% and 10% of the Fund's Net Asset Value. As discussed above, the Fund is a long biased equity product and may not provide downside protection in the case of falling markets.

Save where specified to the contrary, the above thresholds apply as at the time of the relevant investment. Where a threshold would be breached merely because of any appreciation in value (e.g. as a result of strong outperformance), depreciation in value, capital restructure, corporate action or similar event, the Fund will be rebalanced or reduced back to below that threshold within a reasonable timeframe. The above thresholds incorporate the delta exposure obtained through Derivatives.

## 2.7 PERFORMANCE

Performance information for the Fund can be obtained by telephoning (02) 9021 7797 or by emailing [info@ellerstoncapital.com](mailto:info@ellerstoncapital.com).

## 2.8 REGISTRATION AS A MANAGED INVESTMENT SCHEME

The Fund is not registered as a managed investment scheme. Ellerston Capital may, at its discretion, choose to register the Fund as a managed investment scheme at some point in the future. We will notify you before registration takes place.

## 3. Risks

An investment in the Fund involves risk, including the risk that the value of the Fund's investment could fall and that distributions could be lower than expected or not paid at all. No guarantee or representation is made that the Fund will be successful, that the capital value will grow or be maintained, or that there will be any distributions.

Please be aware that the investment program is speculative, that is, we undertake a process of selecting investments with higher risk in order to profit from a higher return over the long term. There can be no assurance, however, that the Fund's investment objective will be achieved. Investors should consider any investment in the Fund as a supplement to an overall investment portfolio and should invest only if they are willing to undertake the risks involved.

Prospective investors should consider and understand risk in determining whether an investment in the Fund is suitable for them. While it is not possible to identify every risk relevant to investing in the Fund, the summary below lists some of the significant risks associated with investing in the Fund. Investors should read this IM in full and consult their financial adviser or other professional adviser before deciding whether to invest in Units.

### 3.1 RISKS APPLICABLE TO THE FUND

#### Investment risk

Like most investments, the investment returns of the Fund may be subject to economic variables (including interest rates, unemployment, inflation and economic growth), market conditions, factors impacting particular investments and government policy. These factors are generally beyond the control of the Manager.

Investments made by the Fund in securities can fall in value due to the operational and financial circumstances of the issuer of those securities such as the state of their underlying businesses (including the level of debt they carry, the availability of debt financing and level of interest rates), their profits, earnings and cash flows. Any movements in the value of these securities may be magnified through the use of Derivatives.

The vast majority of listed entities have certain levels of debt to carry out and expand their operations. The level of interest rates payable on that debt, and the availability of debt financing (including to refinance existing borrowings), can have a significant effect on the returns those entities provide to their investors and even on their solvency. In particular, entities could be adversely affected by the lack of availability of debt financing.

#### Diversification

The Fund is not subject to strict parameters with respect to diversification of its investments. The Fund may be concentrated across a small number of securities, sectors, industries and geographies. The return of the Fund may be substantially adversely affected by the unfavourable performance of even a single investment. The Fund's returns may be volatile compared to the Benchmark return given the concentrated nature of the portfolio.

#### Derivatives risk

Derivatives are often complex and their use has the potential to cause losses that are large in proportion to the money invested in them. The Fund will be exposed to the risk that the other party to the Derivatives instrument may not be able to fulfil their obligations to the Fund (e.g. due to insolvency). Derivatives will be used to increase or decrease the Fund's exposure to Australian listed securities. Any movements in the value of these securities may accordingly be magnified. Derivatives may also be used to generate additional income through option strategies. There is no guarantee any additional income will be generated or that such income will exceed losses that may arise due to this strategy. See **Section 2** for further details.

#### Past performance

There can be no assurance that the Fund will achieve its Investment Objective and there is no operating history by which to evaluate the Fund's likely future performance.

#### Manager risk

The success of the Fund depends upon the ability of the Manager to develop and implement its investment strategy and identify investment opportunities that achieve the Fund's Investment Objective. The investment performance of the Fund is dependent on the talents, contacts and efforts of a number of key personnel within Ellerston Capital. There is a risk that one or more of these key personnel may depart and cannot be appropriately replaced and this could adversely affect the ability of the Manager to achieve the Investment Objective of the Fund.



### **Outperformance Fees**

Outperformance Fees are paid on the performance of the Fund as a whole against the Benchmark. Unitholders who acquire Units may incur an Outperformance Fee even where the performance of that Unitholder's Units does not reflect the performance of the Fund as a whole.

### **Liquidity risks**

The Fund may not be able to promptly liquidate some of its investments at an amount close to their fair value in order to meet its liquidity requirements or to respond to specific events such as deterioration in the circumstances of the investment (e.g. securities that are yet to list or reduced liquidity in the market for a listed equity investment) or disruption to the market place. The Fund has the power to limit redemption rights. The Manager will reject a request where redemptions have been suspended or (where the Fund is registered as a managed investment scheme) where the Fund is illiquid under the Corporations Act. Refer to **Section 5.4** for further redemption information.

### **Global financial turmoil**

Global financial markets have seen severe volatility and a lack of liquidity. Concurrently, there has been a severe decline in the value of many assets. There has also been an unprecedented number of failures of major financial institutions. This has resulted in significant regulatory, government and central banking intervention. This concerted intervention may fail to be successful, and both market and economic conditions may deteriorate along with further failures.

### **Regulation**

Regulation of the Manager, the Fund and its investments may change, which may impact on the investment returns and nature of the Fund.

### **Taxation risks**

See **Section 6** for details regarding taxation risks.

### **Distributions**

As a Unitholder you may not receive distributions when you expect them or in the way you have asked for them to be paid. The Fund is not designed for investors seeking regular income payments. There is no guarantee that any distributable income will be generated. In certain circumstances, Unitholders may be liable for tax on distributions even if they have not received any distribution in cash.

## **3.2 RISK MANAGEMENT**

The Manager has risk management processes in place including:

- undertaking research on individual investments to the best of our ability;
- actively monitoring the Fund's exposure;
- the use of portfolio guidelines (Section 2.6), compliance policies and procedures; and
- obtaining accounting, legal and tax advice in conducting the affairs of the Fund and completing our reporting obligations.

## 4. Fees and Other Costs

### 4.1 SUMMARY OF FEES AND OTHER COSTS

This section shows fees and other costs that you may be charged.

TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN FEE IS PAID
<b>Fees when your money moves in or out of the Fund</b>		
<b>Establishment Fee</b> The fee to open your investment.	Nil.	Not applicable
<b>Contribution Fee</b> The fee on each amount contributed to your investment.	Nil.	Not applicable.
<b>Withdrawal Fee</b> The fee on each amount you take out of your investment.	Nil.	Not applicable.
<b>Termination Fee</b> The fee to close your investment.	Nil.	Not applicable.
<b>Management Costs</b>		
The fees and costs for managing your investment.	<b>Management Fee</b> 0.90% p.a. of the Gross Asset Value of the relevant class.	Accrued in the Unit price and payable from the assets of the relevant class monthly in arrears. Refer to <b>Section 4.2</b> for more details.
	<b>Expenses</b> Estimated at 0.20% p.a. of the Net Asset Value, however, the actual ongoing expenses may be higher than this estimate.	Accrued in the Unit price and payable from the assets of the relevant class when the amounts are incurred. Refer to <b>Section 4.2</b> for more details.
	<b>Outperformance Fee</b> 15% of the investment return of the relevant class over the Benchmark return, after recovering any underperformance in past periods.  It is not possible to estimate the Outperformance Fee as we cannot accurately forecast what the performance of the Fund or the Benchmark will be.	Accrued in the Unit price and payable from the assets of the relevant class after 30 June in each year in arrears. Refer to <b>Section 4.2</b> for more details.
<b>Service Fees</b>		
<b>Investment Switching Fee</b> The fee for changing investment options.	Nil.	Not applicable.

Notes:

- All fees set out in this **Section 4** are inclusive of the net effect of Goods and Services Tax (GST) (i.e. includes GST net of input tax credits). The Fund may not be entitled to claim a reduced input tax credit in all instances.
- Unitholders may also incur a Buy/Sell Spread when their money moves in or out of the Fund. Please refer to **Section 4.2** "Buy/Sell Spread" for further details.

## 4.2 ADDITIONAL EXPLANATION OF FEES AND COSTS

### GST

All fees set out in this **Section 4** are inclusive of any applicable Goods and Services Tax (**GST**) and net of input tax credits (unless otherwise stated). The Fund may not be entitled to claim an input tax credit in all instances.

### Management Fee

As provided in the table above, the Management Fee will be 0.90% p.a. of the Gross Asset Value of the relevant class. The Management Fee is accrued in the Unit price and payable from the assets of the relevant class monthly in arrears. The Management Fee is reflected in the Unit price.

### Expenses

All costs or general expenses reasonably and properly incurred in the proper performance of its duties by the Manager in connection with the management of the Fund and the Offer are payable out of the Fund. The Manager is responsible for providing all office personnel, office space and office facilities required for the performance of its services. The Fund bears all other expenses incidental to its operations, including, but not limited to, fees payable to the Fund's service providers (e.g. administrator and custodian); taxes imposed on the Fund or the Manager (in its capacity as trustee of the Fund); governmental charges and duties; the Fund's advisers (e.g. legal, accounting and audit); and printing and distributing the IM, subscription materials, marketing materials and any reports and notices to Unitholders or prospective Unitholders. Over time, as the Fund grows in size, the total of these ongoing expenses is estimated at 0.20% p.a. of the Fund's Net Asset Value. However, the actual ongoing expenses may be higher than this estimate. The Fund may also incur unanticipated expenses arising from its business, such as litigation and indemnification expenses.

All costs or expenses incurred (or that will be incurred) by the Manager in connection with the establishment of the Fund and the Offer are payable out of the relevant class and the Manager may choose to include in the assets of the relevant class deferred establishment costs for Unit pricing purposes.

### Outperformance Fee

The Manager is entitled to an Outperformance Fee for outperforming the Benchmark as described in the Management Costs part of the first table in **Section 4**. The Outperformance Fee is a way of providing an incentive for the Manager to strive to continually produce returns above the Benchmark.

The Outperformance Fee is equal to 15% of the amount by which the accumulated investment return of the relevant class exceeds the accumulated return of the Benchmark during each year to 30 June (**Calculation Period**).

If the relevant class underperforms against the Benchmark during a Calculation Period, an Outperformance Fee will not be paid. Any underperformance will be carried forward to the following Calculation Period and must be recouped before any Outperformance Fees can be accrued or be paid.

The Outperformance Fee is accrued in the Unit price. The Outperformance Fee is payable at the end of each Calculation Period. The Manager may alter the Calculation Period. We will notify you of any change to the Calculation Period.

The investment return is the positive or negative change in the Net Asset Value of the relevant class after deducting Management Fees but before any accrued Outperformance Fees and distributions (whether income or capital). Further adjustments may be made for subscriptions and redemptions and capital restructures.

The investment return and the Benchmark return are calculated weekly and each weekly Outperformance Fee (positive and negative) is accumulated. If Units are issued and redeemed more or less frequently, then the investment return and the Benchmark return will be calculated at least as frequently.

The Manager has no obligation to restore to a class Outperformance Fees previously earned and paid, notwithstanding a loss in a subsequent Calculation Period. Where Units are redeemed during a Calculation Period, any accrued Outperformance Fees in respect of those Units may become due and payable to the Manager. If the Manager is removed as trustee of the Fund before the end of a Calculation Period, then the Outperformance Fee will be calculated and paid as though the date of removal were the end of the Calculation Period.

The Outperformance Fee is calculated on the performance of the relevant class and not the performance of an individual Unitholder's investment. As a result, the actual Outperformance Fee payable on the Unitholder's investment may be affected by the timing of that person's applications and redemptions or by Unitholders as a whole.

### Worked example of Outperformance Fee

The example that follows is for the purpose of illustrating how Outperformance Fees may be calculated only.

The example assumes that the investment return of the relevant class and the Benchmark is steady during the course of the Calculation Period. In reality, the investment return of the relevant class and the Benchmark will vary during the course of the Calculation Period. The example also assumes that no subscriptions or redemptions are made during the Calculation Period.

Importantly, the example assumes the investment return of the relevant class has exceeded the return on the Benchmark. Note that the investment return of the relevant class and the Benchmark is for illustrative purposes only and is not an indication of future performance. Future performance may differ from that used in this example.

The value of your Units at the beginning of a Calculation Period is \$100,000 and at the end of the Calculation Period is \$110,000.

The investment return for the Calculation Period is 10%, namely  $10\% \times \$100,000 = \$10,000$ . The return on the Benchmark is 8%, namely  $8\% \times \$100,000 = \$8,000$ .

The Outperformance Fee is  $15\% \times (\$10,000 - \$8,000) = \$300$

For each \$100,000 that you have invested in Units at the beginning of the Calculation Period, you would have earned \$10,000 and been charged \$300 in Outperformance Fees.

### **Tax**

Prospective investors should obtain independent professional advice in relation to their particular circumstances regarding the taxation consequences of an investment in the Fund before investing. **See Section 6.**

### **Buy/Sell Spread**

An amount equal to 0.25% is effectively deducted from the Unitholder's application and redemption monies. This amount may change at any time. This amount is paid to the Fund on account of the Manager's estimate of costs associated with buying and selling assets represented by the relevant application or redemption and is not paid to the Manager. Such costs are, however, an additional cost to you and will impact on the return on your investment. Such costs could include estimated brokerage and stamp duties, taxes and other charges and expenses from buying or selling Fund investments. The amount is paid so as to mitigate any unfairness from an application or redemption affecting other Unitholders.

### **Fee waiver or deferral and issue of Units**

The Manager, in its sole discretion, may waive or defer the payment of all or part of its Management Fee and/or Outperformance Fee either generally or for certain Unitholders. The Manager may, where permitted under the law, charge fees on a different basis to certain associates of the Manager and Unitholders that are wholesale clients (as defined under the Corporations Act) or who make a substantial investment in the Fund or other of the Manager's investment products. The Manager may elect to receive part of its Management Fee and/or Outperformance Fee in the form of Units in the Fund. Any Units issued to the Manager will be at the issue price for those Units applicable at that time.

### **Fee maximums and changes to fees**

The Manager is entitled under the Constitution to charge a Contribution Fee and a Withdrawal Fee of 5%, a Management Fee of 2.5% per annum and an Outperformance Fee of 20% per annum (each exclusive of GST). The Manager has elected to waive or reduce these fees to the levels shown in **Section 4.1**. The Constitution does not provide for the Manager to charge a Switching Fee or Termination Fee. The Manager may, however, within the bounds of the Constitution, elect to change these fees (e.g. due to changes in economic conditions and size of the Fund) and Unitholders will be provided at least 30 days written notice of any change in these or other fees.

### **Distributor remuneration**

The Fund's distributors may receive a commission from the Management Fee. Commissions are incorporated into the Management Fee and are paid by the Manager and are not an extra amount paid from the Fund nor are they an additional amount the Unitholder pays.

We may provide additional remuneration and other benefits to distributors indirectly by paying them additional amounts (such as marketing support payments) and/or non-monetary benefits (such as business and technical support, professional development services and conferences). If these amounts or benefits are provided, they are payable out of the fees and costs we are entitled to receive and are not an additional cost to you.

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## 5. Applications and Dealing with Your Investment

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### 5.1 APPLYING

Units in the Fund are available for issue under this IM.

To invest in the Fund you must complete the Application Form accompanying this IM and provide the proof of identity documents set out in the Application Form.

#### **Applications**

Subject to the Fund remaining open, applicants may apply for Units and Unitholders may apply for additional Units in the Fund.

Applications and Application Amounts must be received by the Administrator prior to 2:00pm (Sydney time) one Business Day before the Application Day, unless otherwise agreed by the Manager in its absolute discretion. Applications received after the cut-off time will generally be processed for the following Application Day. An Application Day occurs each Friday, or, if a Friday in a week is not a Business Day, the Application Day is the next Business Day. The Manager may from time to time allow additional dates for accepting applications. Additional Application Forms may be obtained from the Administrator or by telephoning the Manager on (02) 9021 7797 or emailing [info@ellerstoncapital.com](mailto:info@ellerstoncapital.com).

#### **Minimum investments**

The minimum initial investment amount is \$50,000 and the minimum additional investment amount is \$10,000. Ellerston Capital may in its absolute discretion waive or vary these minimum requirements.

### 5.2 ISSUE PRICE

The issue price of Units will be the Net Asset Value per Unit for the relevant Application Day on which the application is processed, plus the Buy/Sell Spread.

### 5.3 APPLICATION ACCEPTANCE AND INTEREST

To ensure the Fund remains efficient and competitive, the Manager may in its absolute discretion reject or decline to accept applications (in part or in full) and may close the Fund to further investment where it believes the Fund has reached capacity.

Any interest payable on Application Amounts will accrue to the benefit of the Fund. Application Amounts paid in respect of rejected or the scaled back portion of applications will be returned to investors without interest.

### 5.4 REDEMPTIONS

Unitholders may make a request to redeem their Units by giving written notice to the Administrator. Redemption requests must be received by the Administrator prior to 2:00pm (Sydney time) five Business Days (or such lesser period as the Manager may determine) before the Redemption Day. A Redemption Day occurs each Friday, or, if a Friday in a week is not a Business Day, the Redemption Day is the next Business Day. Although the Constitution grants the Manager the discretion to refuse redemption requests, unless redemptions are suspended or where the Fund is registered as a managed investment scheme, it is not liquid (see below), the Manager will process all redemption requests in the manner set out in this IM.

Redemptions of Units will be processed using the redemption price at the relevant Redemption Day provided the request is received before the relevant redemption cut-off time for that Redemption Day. Redemption requests received after the relevant redemption cut-off time will be processed for the following Redemption Day using the redemption price applicable for that Redemption Day. The Manager may from time to time allow additional dates for accepting redemptions.

#### **Minimum redemption amounts**

The minimum redemption amount is \$10,000 unless otherwise approved by the Manager. Redemption requests may be refused or a Unitholder's Units may be redeemed in its entirety if the processing of a redemption request would result in the Unitholder holding less than \$50,000 of Units.

#### **Redemption price and payment of redemption proceeds**

The redemption price for a Unit will be the Net Asset Value per Unit on the Redemption Day less the Buy/Sell Spread.

The Constitution provides that it may take up to 90 days from the Redemption Day, when your redemption price is calculated, until you receive your redemption proceeds. The Manager expects that this will usually take five Business Days; however, in unusual circumstances, it may take longer until you receive your redemption proceeds. This is because the ability to fund a redemption is generally dependent on the ability of the Fund to realise its investments. In certain circumstances redemptions may be suspended, as set out below.

### **Suspension of redemptions**

Whilst the Fund is not registered as a managed investment scheme, redemptions may be suspended for up to 120 days including where:

1. it is impracticable or impossible for the Administrator to calculate the Net Asset Value of the Fund, for example, because of financial market disruptions or closures;
2. the payment of redemption proceeds involves realising a significant portion of Fund assets which would, in the opinion of the Manager, result in remaining Unitholders bearing a disproportionate amount of tax or expenses, or suffering any other disadvantage or diminution of the value of Units held;
3. the Manager reasonably considers it to be in the interests of Unitholders, or it is otherwise permitted by law; or
4. the Fund is being wound up.

If the Fund becomes registered as a managed investment scheme, the suspension provisions above only apply where the Fund is "liquid" (within the meaning given to that term in the Corporations Act).

### **Where the Fund is not liquid**

Whilst the Fund is not registered as a managed investment scheme, the provisions in this sub-section do not apply.

Where the Fund is registered as a managed investment scheme, the redemption process, including the calculation of the redemption price, described above applies only when the Fund is "liquid" (within the meaning given to that term in the Corporations Act). Where the Fund ceases to be liquid, Units may only be redeemed pursuant to a withdrawal offer made to all Unitholders in the Fund in accordance with the Constitution and the Corporations Act.

## **5.5 TRANSFERS**

Units may not be sold, transferred or otherwise disposed, directly or indirectly, without the prior written consent of the Manager (which may be granted, on certain terms and conditions, or delayed or withheld in its sole and absolute discretion). Transfer requests should be made in writing to the Administrator. The Manager may require prescribed transfer documentation to be completed by the transferor including without limitation the completion of an Application Form. Any Units sold or transferred without such consent may be compulsorily redeemed by the Manager in its absolute discretion. A transfer of Units involves a disposal of Units, which may have tax implications. Stamp duty may also be payable on the transfer unless an exemption applies. You should obtain tax and stamp duty advice before requesting a transfer.

## **5.6 DISTRIBUTIONS**

The distribution policy of the Fund is to distribute (when available) as soon as practicable after each half-yearly period ending 30 June and 31 December (or otherwise as determined by the Manager) the income of the Fund less expenses. Distributions from the Fund may comprise income and/or capital as determined by the Manager under the Constitution. Unitholders may elect to reinvest distributions from the Fund (refer to the Application Form). If you do not make a choice, your distributions will be automatically reinvested. Units issued on reinvestment of distributions will generally be issued at the Net Asset Value per Unit (with no Buy/Sell Spread). The Manager may, from time to time, distribute additional amounts where the Manager believes it is appropriate.

## **5.7 VALUATIONS**

The Net Asset Value is the total value of the Fund (or the relevant class) less the relevant trust liabilities. The Net Asset Value per Unit is the Net Asset Value of the relevant class divided by the number of Units in issue in the relevant class. This is used to determine the issue price (refer **Section 5.2**) and redemption price (refer **Section 5.4**) for Units of the Fund. The issue price and redemption price of Units will be adjusted for the Buy/Sell Spread (refer **Section 4.2** "Buy/Sell Spread"). The Manager may from time to time issue additional classes of Units.

The Manager has delegated to the Administrator the determination of the Net Asset Value and the Net Asset Value per Unit. In determining the Net Asset Value and the Net Asset Value per Unit, the Administrator will follow the valuation policies and procedures adopted by the Fund as set out in the Constitution.

Units will typically be priced each week by the Administrator except where the calculation of the Net Asset Value is suspended (refer to **Section 5.4** "Suspension of redemptions").

Unit prices will be available by contacting the Manager on (02) 9021 7797.

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## 6. Tax considerations

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The taxation environment applying to the investments is currently undergoing substantial reform and may change. Any gains from the Fund's investments and from your investment in the Fund may be treated on revenue or capital account depending on the particular circumstances of the Fund and each investor. This may impact the Fund's and an investor's ability to obtain a discount on the capital gains tax applied on any gains. Under Australian tax law, a holding of Units may give rise to taxable distributions even though investors may not receive distributions in cash to fund the tax liability. The transfer of securities in the Fund involves a disposal, which may have tax implications. Stamp duty may also be payable on the transfer unless an exemption applies.

Prospective investors should obtain independent professional advice in relation to their particular circumstances regarding the taxation consequences of an investment in the Fund before investing.

## 7. Material documents

### 7.1 CONSTITUTION

The operation of the Fund is governed by law and the Constitution of the Fund. The Constitution is available free of charge by contacting the Manager.

The Constitution contains a number of provisions relating to the rights, terms, conditions and obligations imposed on both Unitholders and the Manager.

A number of provisions in the Constitution are discussed elsewhere in this IM. The following are some key matters covered by the Fund's Constitution:

- the nature of Units and the rights which attach to those Units;
- the powers of the Manager;
- the Manager's entitlement to be paid fees;
- how the Administrator (on behalf of the Manager) will calculate the Net Asset Value of the Fund, a key component to the calculation of the issue price and redemption price;
- how the Manager will treat applications for Units, including the Manager's discretion to refuse applications for Units in whole or in part at its discretion;
- the Manager's ability to refuse transfers of Units;
- the Manager's ability to accumulate part or all of the income in the Fund in a financial year and the Manager's ability to allocate income, deductions and credits to particular classes of Unitholders;
- Unitholders' rights in relation to distributions (and how the Manager determines the distribution amount);
- the convening of, and attending and voting at, any Unitholder meetings and the binding nature of resolutions on all Unitholders;
- the retirement of the Manager and the appointment of a new trustee of the Fund;
- how the Manager will deal with Unitholder complaints; and
- the termination of the Fund. The trust terminates at the earlier of 80 years less one day and the Manager determining to terminate the trust by written notice to Unitholders. The Constitution governs the procedure to be followed by the Manager on the termination of the Fund.

The Constitution also includes specific provisions covering the following matters which are not explained elsewhere in this IM:

#### **Compulsory redemption**

The Manager may, in its absolute discretion, upon a minimum of three days notice to a Unitholder, redeem all or a portion of Units held by such Unitholder including, if the Manager believes:

1. the Units are held in breach of prohibitions contained in the Constitution;
2. the Units are held in circumstances which might result in a violation of an applicable law or regulation (including by the Manager), or subject the Fund to taxation or otherwise adversely affect the Fund in any material respect;
3. a Unitholder made a misrepresentation in acquiring its Units;
4. a Unitholder is a registered holder of Units having a Net Asset Value of less than \$50,000; or
5. the continued participation of a Unitholder might cause the Manager or any Unitholder to violate any law or if any litigation is commenced or threatened against the Manager or any Unitholder arising out of the participation by the Unitholder in the Fund.

#### **The Manager's indemnity and liability**

The Manager is entitled to be indemnified under the Constitution, subject to the law, for all amounts incurred by it in the proper performance of its duties. The Manager's liability to Unitholders is limited to the Manager's ability to be indemnified from the Fund subject to the law and the Manager acting without fraud, gross negligence or breach of trust involving a failure to show the required degree of care and diligence. The Manager has the ability to make deductions from payments to satisfy liabilities owing to the Manager.



**Investor liability**

The liability of a Unitholder to the Fund is generally limited to the amount subscribed, or agreed to be subscribed, for Units and any tax payable in respect of their Unitholding. The effectiveness of these provisions has not yet been determined by an Australian court.

**Amending the Constitution**

The Manager may amend the Constitution.

## 8. Additional Information

### 8.1. COMMUNICATION AND REPORTING

Unitholders will be provided with the communications set out in the table below. Unitholders will also receive confirmations of their applications, redemptions and distributions. Unitholders may ask the Manager for additional information as reasonably required, although the Manager may not always be able to satisfy such requests.

COMMUNICATION	TIMING
Performance report	Monthly
Fund update	Quarterly
Tax statement	Annually

Information relating to the Unitholder and the Fund will be provided by email.

### 8.2 FURTHER INFORMATION

A non-exhaustive summary of some of the key terms of the Offer and Constitution of the Fund has been set out in this IM. The Constitution may be viewed between 9:00am and 5:00pm, Sydney time, on weekdays by contacting the Manager on [info@ellerstoncapital.com](mailto:info@ellerstoncapital.com) or (02) 9021 7797.

### 8.3 OFFER CHANGES

The Manager reserves the right to cancel the Offer in relation to the Units, reject an application for Units (in full or in part) and return Application Amounts for whatever reason.

### 8.4 COMPLAINTS RESOLUTION

The Manager has a formal policy in place for dealing with complaints. In the first instance, complaints should be in writing to the Company Secretary, Ellerston Capital Limited, Level 11, 179 Elizabeth Street, Sydney NSW 2000. The Manager will acknowledge Unitholder complaints within 30 days of receipt by the Company Secretary, and will generally investigate complaints and aim to provide a response (if not resolve the complaint) within 60 days of receipt of the complaint although some complaints may take significantly longer to deal with.

### 8.5 ANTI-MONEY LAUNDERING

The Manager is required to comply with the Anti-Money Laundering and Counter Terrorism Financing Act 2006 (Cth) (**AML/CTF Law**). The Manager may require you to provide personal information and documentation in relation to your identity when you purchase Units in the Fund. The Manager may need to obtain additional information and documentation from you when undertaking transactions in relation to your investment. The Manager may need to identify:

1. an investor (including all investor types noted on the Application Form) prior to purchasing Units in the Fund. The Manager will not issue Units until all relevant information has been received and your identity has been satisfactorily verified;
2. your estate – if you die while you are the owner of Units in the Fund, the Manager may need to identify your legal personal representative prior to redeeming Units or transferring ownership; and
3. anyone acting on your behalf, including your power of attorney.

In some circumstances, the Manager may need to re-verify this information. The Manager has delegated these activities to the Administrator.

By applying to invest in the Fund, you also acknowledge that the Manager may decide to delay or refuse any request or transaction, including by suspending the issue or redemption of Units in the Fund, if it is concerned that the request or transaction may breach any obligation of, or cause us to commit or participate on an offence under, any AML/CTF Law, and the Manager will incur no liability to you if it does so.

## 8.6 PRIVACY

The Application Form accompanying this IM requires you to provide personal information. The Manager and each service provider to the Manager or Fund may collect, hold and use your personal information in order to assess your application, service your needs as a client or investor, provide facilities and services to you, the Manager or the Fund and for other purposes permitted under the Privacy Act 1998 (Cth). Tax and company laws also require some of the information to be collected in connection with your application. If you do not provide the information requested, your application may not be able to be processed efficiently, or at all. Your information may also be disclosed to members of the Ellerston Capital Group and to their agents and service providers on the basis that they deal with such information in accordance with the Manager's privacy policy. The Manager may need to disclose information about you to government entities and regulators as required by law.

Your information may also be used to inform you about investment opportunities or other matters that the Ellerston Capital Group thinks may be of interest to you. Contact the Manager using the contact details in the Corporate Directory if you do not want your personal information to be used for this purpose or to request a copy of your personal information held by the Manager (or its registry provider).

## 8.7 KEY CORPORATE GOVERNANCE POLICIES

### **Related party transactions**

Ellerston Capital has a related party transactions policy which acknowledges the requirement that related party dealings be on "arm's length terms", be approved by the members of the entity giving the benefit to the related party, or that an exemption applies to the transaction.

The related party transactions policy sets out procedures designed to protect Unitholders' interests and ensure that related party transactions are on "arm's length" terms or otherwise comply with Corporations Act requirements.

The Fund may acquire exposure to assets from other Ellerston Capital managed funds and where it does so, this will be on an arm's length basis.

### **Conflicts of interest**

Ellerston Capital has established internal policies and procedures to ensure that any conflicts of interest arising in relation to the Fund are adequately identified and appropriately managed.

Where we consider that a particular conflict of interest is likely to have a materially adverse effect on Unitholders, we will seek to implement adequate arrangements to mitigate and prevent (where practicable) these adverse effects on Unitholders. We will resolve such conflicts of interest fairly and reasonably in accordance with the law, ASIC policy and our own procedures.

### **Deal allocation policy**

Investment opportunities will generally be allocated to the Fund along with other funds and client accounts operated by Ellerston Capital having regard to factors that may include: investment objectives, investment strategy, portfolio guidelines, particular mandate requirements, risk profile and any other factors that we consider relevant.

## 8.8 SERVICE PROVIDERS

The Manager has appointed BNP Paribas Fund Services Australasia Pty Ltd to provide custody, administration and registry services for the Fund.

## 8.9 CONSENT

BNP Paribas Fund Services Australasia Pty Ltd has given written consent (which has not been redeemed at the date of this IM) to being named, in the form and context in which it named in this IM. The Administrator:

1. has not authorised or caused the issue of this IM;
2. does not make or purport to make any statement in this IM (or any statement on which a statement in this IM is based) other than as specified; and
3. to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this IM other than the reference to its name in a statement or report included in this IM with its consent as specified.

# Glossary

<b>ADMINISTRATOR</b>	BNP Paribas Fund Services Australasia Pty Ltd (ABN 71 002 655 674)	<b>FUND</b>	Ellerston Overlay ASF: an Australian domiciled unit trust, constituted by and under its Constitution
<b>AFSL</b>	Australian Financial Services Licence	<b>GST</b>	Australian Goods and Services Tax, as established under the A New Tax System (Goods and Services Tax) Act 1999 (Cth)
<b>AMERICAN DEPOSITARY RECEIPT</b>	Instrument representing the ownership in the shares of a non US company (including Australian listed entities) trading on US financial markets	<b>GROSS ASSET VALUE</b>	The Net Asset Value after adding back accrued Management Fees and Outperformance Fees
<b>APPLICATION AMOUNT</b>	The amount contributed by an investor to acquire Units in the Fund	<b>IM</b>	This Information Memorandum
<b>APPLICATION DAY</b>	Each Friday, or, if a Friday in a week is not a Business Day, the Application Day is the next Business Day. The Manager may determine other dates as Application Days, as set out in <a href="#">Section 5.1</a>	<b>Investment Objective</b>	The investment objective of the Fund as described in <a href="#">Section 2</a>
<b>APPLICATION FORM</b>	The application form accompanying this IM	<b>ISSUE PRICE</b>	Has the meaning provided in <a href="#">Section 5.3</a>
<b>AML/CTF LAW</b>	Anti-Money Laundering and Counter Terrorism Financing Act 2006 (Cth)	<b>MANAGEMENT FEE</b>	Has the meaning provided in <a href="#">Section 4.2</a>
<b>ASIC</b>	Australian Securities and Investments Commission	<b>MANAGER</b>	Ellerston Capital as trustee and investment manager of the Fund
<b>AUSTRALIAN LISTED SECURITY</b>	Securities listed on an Australian securities exchange, including but not limited to the ASX Limited (ABN 98 008 624 691) or, as the context requires, the financial market known as the Australian Securities Exchange operated by it.	<b>NET ASSET VALUE</b>	The net asset value of the Fund or the relevant class as determined under the Constitution. Refer to <a href="#">Section 5.7</a>
<b>BENCHMARK</b>	The S&P/ASX 200 Accumulation Index. If this index ceases to be published, the Manager will nominate an equivalent replacement Benchmark and notify Unitholders of the change.	<b>NET ASSET VALUE PER UNIT</b>	The net asset value per Unit as determined under the Constitution. Refer to <a href="#">Section 5.7</a>
<b>BUSINESS DAY</b>	Any day that is not a Saturday, Sunday or public holiday in New South Wales, Australia	<b>OFFER</b>	The invitation to subscribe for Units set out in this IM
<b>BUY/SELL SPREAD</b>	Has the meaning provided in <a href="#">Section 4.2</a>	<b>OUTPERFORMANCE FEE</b>	The outperformance fee payable to the Manager as set out in <a href="#">Section 4.2</a>
<b>CALCULATION PERIOD</b>	Has the meaning provided in <a href="#">Section 4.2</a>	<b>REDEMPTION PRICE</b>	Has the meaning provided in <a href="#">Section 5.4</a>
<b>CGT</b>	Capital gains tax	<b>REDEMPTION DAY</b>	Each Friday, or, if a Friday in a week is not a Business Day, the Redemption Day is the next Business Day. The Manager may determine other dates as Redemption Days, as set out in <a href="#">Section 5.4</a>
<b>CONSTITUTION</b>	The constitution of the Fund dated 27 May 2011, as amended from time to time	<b>REIT</b>	Real estate investment trust, namely securities in the property trust sector
<b>CONTRIBUTION FEE</b>	Has the meaning provided in <a href="#">Section 4.2</a>	<b>SECURITIES</b>	Equity interests in a company, managed investment scheme or investment organisation including but not limited to shares, units, preference shares, convertible preference shares, stapled securities, instalment receipts and CHESS Depository Interests
<b>CORPORATIONS ACT</b>	Corporations Act 2001 (Cth)	<b>UNITHOLDER</b>	A person entered on the register of the Fund as a holder of Units
<b>DERIVATIVE</b>	A financial instrument when the value depends on, or is derived from, the value of an underlying designated asset or market index (e.g. an individual share or a broad share market index)	<b>UNIT</b>	Beneficial interest in the Fund issued as offered under this IM
<b>EASF</b>	Ellerston Australian Share Fund	<b>US PERSONS</b>	Has the meaning given to the term in Regulation S of the US Securities Act 1933 (as amended)
<b>ELLERSTON CAPITAL</b>	Ellerston Capital Limited (ABN 34 110 397 674)	<b>WITHDRAWAL FEE</b>	Has the meaning provided in <a href="#">Section 4.2</a>
<b>ELLERSTON CAPITAL GROUP</b>	Ellerston Capital and each of its related bodies corporate, and each of their associates		

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# Corporate Directory

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## Manager

### Ellerston Capital Limited

Level 11, 179 Elizabeth Street

Sydney NSW 2000

Phone: 02 9021 7797

Fax: 02 9282 8818

Email: [info@ellerstoncapital.com](mailto:info@ellerstoncapital.com)

Website: [www.ellerstoncapital.com](http://www.ellerstoncapital.com)

## Custodian and Administrator

### BNP Paribas Fund Services Australasia Pty Ltd

Level 6

BNP Paribas Centre

60 Castlereagh Street

Sydney NSW 2000

## Registry

### Link Market Services

Level 12,

680 George Street

Sydney NSW 2000



ELLERSTON CAPITAL

**SYDNEY OFFICE**

Level 11, 179 Elizabeth Street,  
Sydney NSW 2000

**MELBOURNE OFFICE**

Level 4, 75-77 Flinders Lane,  
Melbourne VIC, 3000

Ph: +61 2 9021 7797

E: [info@ellerstoncapital.com](mailto:info@ellerstoncapital.com)

# Ellerston Overlay Australian Share Fund

ABN 34 110 397 674

Responsible Entity: Ellerston Capital Limited

## Application Form

Please complete this form if you wish to invest in units in the Ellerston Overlay Australian Share Fund. ECL0012AU

This Application Form accompanies the Information Memorandum (IM) dated 11 January 2012. It is important that you read the IM in full and the acknowledgments contained in this application form before applying for Units.

### Before you complete this form

1. Ensure that you have read the relevant Information Memorandum which contains important information about investing in the Fund. You can access this on our website, [www.ellerstoncapital.com](http://www.ellerstoncapital.com) or request a copy free of charge by calling our Client Services team on +61 2 9021 7797.
2. Ensure that you have received this Application Form and IM in Australia. (We will not accept an application from a person who we believe received the documents outside Australia).
3. Ensure that you are not:
  - an individual who is a US citizen or US resident for tax purposes;
  - an entity established in the US or US resident for tax purposes; or
  - an entity with any Controlling Person/s\* who is/are US citizens or residents of the US for tax purposes.

Note: Applications from US citizens or US residents who have an obligation to pay tax to the US tax authorities on their worldwide income will NOT be accepted.

\* A Controlling Person is any individual who directly or indirectly exercises control over the entity. For a company, this includes any beneficial owners controlling more than 25% of the shares of the company. For a Trust, this includes Trustees, Settlers or Beneficiaries. For a Partnership this includes any partners.

### How to complete this form

1. Check the table on the next page to determine what type of applicant you are (NB you may be more than one type).
2. Check the table on the next page to see which sections you need to complete.
3. Complete the form, ensuring you include ALL relevant sections.

### Checklist before sending (tick all boxes)

- Check you have completed all relevant sections according to the table on the next page.
- Check you have signed and dated the form (see Section K, p26).
- Check you have included all requested certified copies of specified documents (see Section L, p27).
- Check you have attached your cheque or electronically transferred the funds to pay for your investment.
- New customers: Mail the completed form and documents to Link Market Services Limited, PO Box 3721, Rhodes, NSW 2138.
- Existing Ellerston Overlay Australian Share Fund investors making an additional application: Fax the completed form and documents to Link Market Services Limited, attn. MFO Operations, Fax 02 9287 0370 or mail to Link Market Services Limited, PO Box 3721, Rhodes, NSW 2138.

### Privacy

Ellerston Capital Limited is committed to protecting and maintaining the privacy of its Unitholders. The personal information collected is only used or disclosed for the purpose for which it is collected or for related purposes that would reasonably be expected. Personal information is not used or disclosed for any other purpose without consent or unless required or authorised by law. Personal information may be provided to service providers who provide services in connection with products and services. Service providers are provided with instructions to ensure that they protect and maintain privacy. Personal information may also be disclosed to people authorised to act on behalf of a Unitholder. Additional information may be required to verify the identity of a Unitholder and any underlying beneficial owner of Units in the Fund.

## Checklists for completing the form

### What type of applicant are you? (Please tick the boxes that apply to you)

#### Investor

	Sections you must complete
<input type="checkbox"/> Custodian of investment platform (go to Sections A, p3 and A(1), p3)	A, A(1), B through L
<input type="checkbox"/> Company investors (go to Sections A, p3 and A(2), p4)	A, A(2), B through L
<input type="checkbox"/> Trust investors (go to Sections A, p3 and A(3), p6)	A, A(3), B through L
<input type="checkbox"/> Individual/joint and sole trader investors (go to Sections A, p3 and A(4), p8)	A, A(4), B through L
<input type="checkbox"/> Partnership investors (go to Sections A, p3 and A(5), p9)	A, A(5), B through L
<input type="checkbox"/> Association investors (go to Sections A, p3 and A(6), p11)	A, A(6), B through L
<input type="checkbox"/> Registered cooperative investors (go to Sections A, p3 and A(7), p12)	A, A(7), B through L
<input type="checkbox"/> Government body investors (go to Sections A, p3 and A(8), p13)	A, A(8), B through L

### The sections of this form (Please tick relevant sections as you complete them)

#### Section

- Section A Investor details.** All information about the investor(s), including full name, residential address (mandatory), postal address (optional) and contact details as well as details for corporate or trust investors.
- Section B Investment and payment details.** The amount you wish to invest in the Ellerston Overlay Australian Share Fund and your payment method.
- Section C Distribution payment instructions.** Details of your nominated bank account for credit of distributions and redemptions. Must be an account with an Australian domiciled financial institution.
- Section D Contact details and preferred communication method.** Please provide contact details, where we can send all correspondence including transactions, distribution and tax statements, ongoing disclosures and other materials, according to your preferred method of communication.
- Section E Acting authority or authorized representative.** Only one TFN is required unless the investment is a joint holding in which case all individuals should provide a TFN.
- Section F Operating authority.** Advise us who has authority to operate your account.
- Section G Financial advisor details.** Please record the details here of your financial advisor if you wish them to be registered on your account.
- Section H Tax certification – FATCA (US) and CRS (other jurisdictions).** You MUST complete this section if you are an individual, joint investor or sole trader OR if you are investing as an entity of any kind. You must also indicate whether you are or are not a US citizen or resident for tax purposes, and provide other information as requested.
- Section I Subscription terms and conditions.** Includes privacy information.
- Section J Declarations and signatures.** Ensure each investor reads this section and signs and dates the form.
- Section K Investor identification information.** This is a checklist, to help you ensure you provide the information we require. As well as enabling us to register your account properly, you help us to fulfil our obligations under the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (AML/CTF law) to identify and verify the identity of investors before providing a 'designated service'. In order for us to fulfil our obligations we must ask all investors to provide information and documents, details of which are specified in the Information Memorandum as well as on this application form.



## Section A Investor details

ALL investors please answer these questions:

### Are you an existing Ellerston Overlay Australian Share Fund investor?

**No** – Complete all sections of application form as per table on page [2] of this form.

**Yes** – Complete existing account details in **Section A** below, and **Section J** on page 26.

Account name

Account no.

### All types of investor: How would you like your account name to be registered? (Check spelling matches details below)

Registered name(s):

Held for the account of (if relevant):

Please specify the source of funds and wealth used to acquire the investment e.g. sale of assets, member contributions to a Super Fund, earnings, inheritance, gift, private assets, savings etc.

## Section A(1) Custodians of investment platforms

Please provide details of the operator/issuer of the relevant managed investment scheme, superannuation fund, IDPS or IDPS-like scheme for which you are the custodian. If a nominee company forms part of the business relationship for this application, copy this section and also complete for the section A(1) for the nominee.

Full name of custodian or nominee

ACN or ABN

### Registered office street address (PO Box is NOT acceptable)

Level Street address

Town/suburb

State

Post code

Country (if not Australia)

### Principle place of business street address (PO Box is NOT acceptable)

Level Street address

Town/suburb

State

Post code

Country (if not Australia)

Country of incorporation, formation or establishment

Australian regulatory licence number (eg AFSL or RSE)

### Is the Company public or proprietary/private?

Public  Proprietary/private

### Type of investment platform (tick one)

Registered managed investment scheme  Superannuation fund  IDPS  IDPS-like scheme

Other (please specify)

Name of investment platform

Licence type

### Postal address

Level Street or PO Box address

Town/suburb

State

Post code

Country

Work Phone

Home phone

Fax

Mobile

Email

## Section A(2) Company investors and corporate trustee(s)

To fulfil AML/CTF requirements, this section must be completed by a custodian/nominee representing a trust such as a superannuation fund or other trust even if the Corporate Trustee does not form part of the registered name.

Full name of company as registered with ASIC or overseas regulator

Country of incorporation, formation or establishment

**Registered Office street address** (PO Box is NOT acceptable)

Level	Street address	Town/suburb
<input type="text"/>	<input type="text"/>	<input type="text"/>
State	Post code	Country
<input type="text"/>	<input type="text"/>	<input type="text"/>

**Principal place of business street address** (PO Box is NOT acceptable)

Level	Street address	Town/suburb
<input type="text"/>	<input type="text"/>	<input type="text"/>
State	Post code	Country
<input type="text"/>	<input type="text"/>	<input type="text"/>

**Postal address**

Level	Street or PO Box address	Town/suburb
<input type="text"/>	<input type="text"/>	<input type="text"/>
State	Post code	Country
<input type="text"/>	<input type="text"/>	<input type="text"/>

Work Phone	Home phone	Fax	Mobile
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Email

Australian Tax File Number OR Exemption details (if applicable)

<input type="text" value="xxx - xxx - xxx"/>	<input type="text"/>
--	----------------------

**Is the Company public or proprietary/private?**

Public  Proprietary/private

**Registration Details** (tick the box that applies)

ASIC registered (provide ACN, ABN, ARBN or ARSN)

Foreign registered (provide foreign registration number)

Provide name of foreign regulator

**Company type** (Please tick one of the below)

- Australian company (public/listed)
- Australian company (proprietary or private)
- Majority-owned subsidiary of an Australian listed company
- Company licensed and subject to the regulatory oversight of a Commonwealth, State or Territory statutory regulator in relation to its activities as a company e.g. AFSL, RSL or RSE
- Foreign company (public/listed)
- Foreign company (proprietary or private)

**Directors** (to be completed for a proprietary company or foreign private company)

**How many directors are there?**  Please provide full names of each director below.

Given names	Family names
<input type="text" value="Director 1"/>	<input type="text"/>
<input type="text" value="Director 2"/>	<input type="text"/>
<input type="text" value="Director 3"/>	<input type="text"/>
<input type="text" value="Director 4"/>	<input type="text"/>

If there are more than four directors, please provide details on a separate sheet or copy of this page

## Shareholders/beneficial owners

This section should be completed by:

- Any unlisted public company or proprietary company that is NOT licensed and subject to the regulatory oversight of a Commonwealth, State or Territory statutory regulator in relation to its activities as a company, and
- Any foreign private company.

Please provide details of:

- Each individual who ultimately owns 25% or more of the issued capital of the company through direct or indirect shareholdings; OR
- Any individual who is entitled (directly or indirectly) to exercise 25% or more of the voting rights.

If no one satisfies either of the above categories, provide details instead of:

- The most senior managing official(s) (or equivalent) of the company (such as the managing director or directors who are authorised to make policy, operating or financial decisions or failing that, who is/are authorized to sign on behalf of the company).

All individuals below will be required to provide identification in accordance with the checklist in Section L, pp27-28.

### Individual 1

Title:  Mr  Mrs  Miss  Ms  Other (specify)

Given names (in full)

Date of birth

Surname/family name

#### Residential street address (PO Box is NOT acceptable)

Unit no. Street address

Town/suburb

State

Post code

Country

### Individual 2

Title:  Mr  Mrs  Miss  Ms  Other (specify)

Given Names (in full)

Date of birth

Surname/Family name

#### Residential street address (PO Box is NOT acceptable)

Unit no. Street address

Town/suburb

State

Post code

Country

### Individual 3

Title:  Mr  Mrs  Miss  Ms  Other (specify)

Given names (in full)

Date of birth

Surname/family name

#### Residential street address (PO Box is NOT acceptable)

Unit no. Street address

Town/suburb

State

Post code

Country

### Individual 4

Title:  Mr  Mrs  Miss  Ms  Other (specify)

Given names (in full)

Date of birth

Surname/family name

**Residential street address (PO Box is NOT acceptable)**

Unit no.	Street address	Town/suburb
<input type="text"/>	<input type="text"/>	<input type="text"/>
State	Post code	Country
<input type="text"/>	<input type="text"/>	<input type="text"/>

**Section A(3) Trusts and superannuation funds**

In this section you should provide details of the trust itself and you may need to provide details of the beneficiaries, the trustees, the settlor and the appointer (as applicable).

Full name of trust or superannuation fund

Country of establishment or formation  Date of establishment

Business name of the trustee (if applicable)

**Type of trust**

Please confirm the type of trust (tick one):

- Regulated self-managed superannuation fund**, regulated by the ATO  
Provide the SMSF's ABN:
  
- Registered managed investment scheme (MIS)**, regulated by ASIC  
Provide the ARSN of the registered MIS:
  
- Unregistered managed investment scheme (MIS)** with only wholesale clients and which does not make small scale offerings under S1012E of the Corporations Act 2001  
Provide the ABN of the unregistered MIS:
  
- Government Superannuation Fund established by legislation** (Commonwealth, State or Territory)  
Provide the name of the legislation establishing the fund:   
Provide Registrable Superannuation Entity (RSE) from APRA:
  
- Other regulated Australian trust** (registered/subject to the regulatory oversight of a Commonwealth statutory regulator)  
Provide name of regulator (eg ASIC, APRA, ATO, ACNC):   
Registrable Superannuation Entity (RSE) from APRA:   
ABN, or ARSN from ASIC:
  
- Unregulated Australian trust**  
Please state the type of Trust (eg unregulated SMSF, family trust, charitable fund not registered with the ACNC, testamentary trust):   
Please also provide settlor and beneficiary details below.
  
- Foreign trust (not established in Australia)**  
Name of foreign regulator (if applicable):   
Registration number (if any) with foreign regulator:   
Please also provide settlor and beneficiary details below.

**Settlor details of an unregulated Australian trust or a foreign trust**

**Is the material asset contribution to the trust by the settlor less than \$10,000?**

Yes  No

**Is the settlor deceased?**

Yes  No

If you answered No to BOTH of these questions, please provide the **full name and address** of the settlor.

**Settlor's details**Title  Mr  Mrs  Miss  Ms  Other (specify) 

Given names (in full)

Surname/family name

**Residential street address (PO Box is NOT acceptable)**

Unit no. Street address

Town/suburb

State

Post code

Country

**Beneficiary details of an unregulated Australian trust or a foreign trust****Do the terms of the trust identify the beneficiaries by reference to a membership of a class?** Yes Describe the class or classes of beneficiaries below. No Complete the 'Beneficiary details requested below for each beneficiary entitled to benefit from 25% or more of the assets of the trust.**Please describe the class or classes of beneficiaries (e.g. holders of different classes of units, family members or named persons)****Beneficiary 1**Title:  Mr  Mrs  Miss  Ms  Other (specify) 

Given names (in full)

Date of birth

Surname/family name

**Residential street address (PO Box is NOT acceptable)**

Unit no. Street address

Town/suburb

State

Post code

Country

**Beneficiary 2**Title:  Mr  Mrs  Miss  Ms  Other (specify) 

Given names (in full)

Date of birth

Surname/family name

**Residential street address (PO Box is NOT acceptable)**

Unit no. Street address

Town/suburb

State

Post code

Country

**Beneficiary 3**Title  Mr  Mrs  Miss  Ms  Other (specify) 

Given names (in full)

Date of birth

Surname/family name

**Residential street address (PO Box is NOT acceptable)**

Unit no. Street address

Town/suburb

State

Post code

Country

**Beneficiary 4**Title  Mr  Mrs  Miss  Ms  Other (specify) 

Given names (in full)

Date of birth

Surname/family name

**Residential street address (PO Box is NOT acceptable)**

Unit no. Street address

Town/suburb

State

Post code

Country

**Trustee details**

- **Note: Individual Trustees** must complete Section A(4); **Corporate Trustees** must complete Section A(2).
- **Unregulated Australian trusts** and **foreign trusts** must complete the following section.

**Appointer of an unregulated or foreign trust (the person entitled to remove or appoint trustees)****Does anyone else have a substantial degree of control over the trust** (e.g. an appointer or individual or company granted specific powers by the trust deed to appoint, remove or instruct trustees)?

- Yes Please provide the name, address and date of birth of the appointer in section A(4), and provide identification as required in section L on pages 27-28 of this form.
- No Proceed to next question.

**Is there anyone else who directly or indirectly controls the trust that is different from the trustees/appointer already provided?** (This includes control by acting as trustee by means of agreements, arrangements, understandings and practices or by exercising control through the capacity to direct the trustees.)

- Yes Please provide their names, addresses and dates of birth in section A(4), and provide identification as required in section L on pages 27-28 of this form.
- No Proceed to section B.

**Section A(4) Individual investors, sole traders and individual trustees****Investor 1**Title  Mr  Mrs  Miss  Ms  Other (specify) 

Given names (in full)

Date of birth

Surname/family name

Country of Citizenship

**Residential street address (PO Box is NOT acceptable)**

Unit no. Street address

Town/suburb

State

Post code

Country

Work phone

Home phone

Fax

Mobile

Email

Are you an Australian resident for tax purposes?  Yes  NoIf not please specify your country of tax residence 

Australian Tax File Number or Exemption details (if applicable)

**Investor 2**Title  Mr  Mrs  Miss  Ms  Other (specify) 

Given names (in full)

Date of birth

Surname/family name

Country of Citizenship

**Residential street address (PO Box is NOT acceptable)**

Unit no.	Street address	Town/suburb	
<input type="text"/>	<input type="text"/>	<input type="text"/>	
State	Post code	Country	
<input type="text"/>	<input type="text"/>	<input type="text"/>	
Work Phone	Home phone	Fax	Mobile
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Email <input type="text"/>			

Are you an Australian resident for tax purposes?  Yes  No

If not please specify your country of tax residence

Australian Tax File Number or Exemption details (if applicable)

**Sole traders**

If you are a sole trader, complete this section as well as the above.

Full business name

**Principal place of business street address (PO Box is NOT acceptable)**

Unit no.	Street address	Town/suburb	
<input type="text"/>	<input type="text"/>	<input type="text"/>	
State	Post code	Country	
<input type="text"/>	<input type="text"/>	<input type="text"/>	
Work phone	Home phone	Fax	Mobile
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Email			ABN
<input type="text"/>			<input type="text"/>

**Section A(5) Partnerships**

Full name of partnership  ABN

Full business name of partnership registered in any State or Territory (if applicable)

Country of formation or establishment  Date of establishment

Australian Tax File Number or Exemption details (if applicable)

How many partners are there?

**Is the partnership regulated?**

- Yes Please provide details of ONE of the partners below.  
 No Please provide the full name, residential street address and date of birth of ALL partners in Section A(4), or if the partners are a company, please use Section A(2).

Please provide details of ONE partner in the regulated partnership

Title  Mr  Mrs  Miss  Ms  Other (specify)

Given Names (in full)  Date of birth

Family name

**Residential street address (PO Box is NOT acceptable)**

Unit no.	Street address	Town/suburb	
<input type="text"/>	<input type="text"/>	<input type="text"/>	
State	Post code	Country	
<input type="text"/>	<input type="text"/>	<input type="text"/>	

## Beneficial owners

Are the beneficial owners different from the partner already entered in above?

- Yes (please provide details below)  
 No (no further information required in this section)

Beneficial owners are those who:

- Ultimately own 25% or more of the partnership, OR
- Are entitled, directly or indirectly, to exercise 25% or more of the voting rights of the partnership, including the power of veto.

If no one satisfies either of these categories, it applies instead to:

- Each individual who directly or indirectly controls the partnership through the capacity to determine decisions about financial or operating policies or by other means.

If none of the above, it applies instead to:

- Each of the most senior managing official(s) of the partnerships.

### Beneficiary 1

Title:  Mr  Mrs  Miss  Ms  Other (specify)

Given names (in full)

Date of birth

Surname/family name

#### Residential street address (PO Box is NOT acceptable)

Unit no. Street address

Town/suburb

State

Post code

Country

### Beneficiary 2

Title:  Mr  Mrs  Miss  Ms  Other (specify)

Given names (in full)

Date of birth

Surname/family name

#### Residential street address (PO Box is NOT acceptable)

Unit no. Street address

Town/suburb

State

Post code

Country

### Beneficiary 3

Title  Mr  Mrs  Miss  Ms  Other (specify)

Given names (in full)

Date of birth

Surname/family name

#### Residential street address (PO Box is NOT acceptable)

Unit no. Street address

Town/suburb

State

Post code

Country

### Beneficiary 4

Title  Mr  Mrs  Miss  Ms  Other (specify)

Given names (in full)

Date of birth

Surname/family name



**Residential street address (PO Box is NOT acceptable)**

Unit no.	Street address	Town/suburb
<input type="text"/>	<input type="text"/>	<input type="text"/>
State	Post code	Country
<input type="text"/>	<input type="text"/>	<input type="text"/>

**Section A(6) Associations**

Full name of association	Incorporation number or ABN
<input type="text"/>	<input type="text"/>

**Principal place of administration street address (PO Box is NOT acceptable)**

Unit no.	Street address	Town/suburb
<input type="text"/>	<input type="text"/>	<input type="text"/>
State	Post code	Country (if not Australia)
<input type="text"/>	<input type="text"/>	<input type="text"/>

**Registered office street address (PO Box is NOT acceptable)**

Unit no.	Street address	Town/suburb
<input type="text"/>	<input type="text"/>	<input type="text"/>
State	Post code	Country (if not Australia)
<input type="text"/>	<input type="text"/>	<input type="text"/>

Australian Tax File Number or Exemption details (if applicable)
<input type="text" value="XXX - XXX - XXX"/> <input type="text"/>

**Governing members or responsible officer details****Chairperson**

Title	<input type="checkbox"/> Mr <input type="checkbox"/> Mrs <input type="checkbox"/> Miss <input type="checkbox"/> Ms <input type="checkbox"/> Other (specify)	<input type="text"/>
Given names (in full)		Date of birth
<input type="text"/>		<input type="text"/>
Surname/family name	<input type="text"/>	

**Residential street address (PO Box is NOT acceptable)**

Unit no.	Street address	Town/suburb
<input type="text"/>	<input type="text"/>	<input type="text"/>
State	Post code	Country
<input type="text"/>	<input type="text"/>	<input type="text"/>

**Secretary**

Title	<input type="checkbox"/> Mr <input type="checkbox"/> Mrs <input type="checkbox"/> Miss <input type="checkbox"/> Ms <input type="checkbox"/> Other (specify)	<input type="text"/>
Given names (in full)		Date of birth
<input type="text"/>		<input type="text"/>
Surname/family name	<input type="text"/>	

**Residential street address (PO Box is NOT acceptable)**

Unit no.	Street address	Town/suburb
<input type="text"/>	<input type="text"/>	<input type="text"/>
State	Post code	Country
<input type="text"/>	<input type="text"/>	<input type="text"/>

**Treasurer**

Title	<input type="checkbox"/> Mr <input type="checkbox"/> Mrs <input type="checkbox"/> Miss <input type="checkbox"/> Ms <input type="checkbox"/> Other (specify)	<input type="text"/>
Given names (in full)		Date of birth
<input type="text"/>		<input type="text"/>
Surname/family name	<input type="text"/>	

**Residential street address (PO Box is NOT acceptable)**

Unit no.	Street address	Town/suburb
<input type="text"/>	<input type="text"/>	<input type="text"/>
State	Post code	Country
<input type="text"/>	<input type="text"/>	<input type="text"/>

**Section A(7) Registered co-operatives**

Full name of registered co-operative	Registration Number or ABN
<input type="text"/>	<input type="text"/>

**Principal place of administration street address (PO Box is NOT acceptable)**

Unit no.	Street address	Town/suburb
<input type="text"/>	<input type="text"/>	<input type="text"/>
State	Post code	Country (if not Australia)
<input type="text"/>	<input type="text"/>	<input type="text"/>

**Registered office street address (PO Box is NOT acceptable)**

Unit no.	Street address	Town/suburb
<input type="text"/>	<input type="text"/>	<input type="text"/>
State	Post code	Country (if not Australia)
<input type="text"/>	<input type="text"/>	<input type="text"/>

Australian Tax File Number or Exemption details (if applicable)
<input type="text" value="xxx - xxx - xxx"/> <input type="text"/>

**Name and residential street address of the public officer (or Chairman, Secretary or Treasurer if there is no public officer) (PO Box is NOT acceptable)****Public officer**

Title	<input type="checkbox"/> Mr <input type="checkbox"/> Mrs <input type="checkbox"/> Miss <input type="checkbox"/> Ms <input type="checkbox"/> Other (specify) <input type="text"/>	
Given names (in full)	<input type="text"/>	Date of birth
	<input type="text"/>	<input type="text"/>
Surname/family name	<input type="text"/>	
Unit no.	Street address	Town/suburb
<input type="text"/>	<input type="text"/>	<input type="text"/>
State	Post code	Country (if not Australia)
<input type="text"/>	<input type="text"/>	<input type="text"/>

**Chairperson**

Title	<input type="checkbox"/> Mr <input type="checkbox"/> Mrs <input type="checkbox"/> Miss <input type="checkbox"/> Ms <input type="checkbox"/> Other (specify) <input type="text"/>	
Given names (in full)	<input type="text"/>	Date of birth
	<input type="text"/>	<input type="text"/>
Surname/family name	<input type="text"/>	

**Residential street address (PO Box is NOT acceptable)**

Unit no.	Street address	Town/suburb
<input type="text"/>	<input type="text"/>	<input type="text"/>
State	Post code	Country
<input type="text"/>	<input type="text"/>	<input type="text"/>

**Secretary**

Title	<input type="checkbox"/> Mr <input type="checkbox"/> Mrs <input type="checkbox"/> Miss <input type="checkbox"/> Ms <input type="checkbox"/> Other (specify) <input type="text"/>	
Given names (in full)	<input type="text"/>	Date of birth
	<input type="text"/>	<input type="text"/>
Surname/family name	<input type="text"/>	

**Residential street address (PO Box is NOT acceptable)**

Unit no.	Street address	Town/suburb
<input type="text"/>	<input type="text"/>	<input type="text"/>
State	Post code	Country
<input type="text"/>	<input type="text"/>	<input type="text"/>

**Treasurer**

Title  Mr  Mrs  Miss  Ms  Other (specify)

Given names (in full)  Date of birth

Surname/family name

**Residential street address (PO Box is NOT acceptable)**

Unit no.	Street address	Town/suburb
<input type="text"/>	<input type="text"/>	<input type="text"/>
State	Post code	Country
<input type="text"/>	<input type="text"/>	<input type="text"/>

**Section A(8) Government bodies**

Full name of government body	Registration or incorporation number
<input type="text"/>	<input type="text"/>

**Principal place of operations (PO Box is NOT acceptable)**

Unit no.	Street address	Town/suburb
<input type="text"/>	<input type="text"/>	<input type="text"/>
State	Post code	Country (if not Australia)
<input type="text"/>	<input type="text"/>	<input type="text"/>

Australian Tax File Number or Exemption details (if applicable)

Select one of the following categories and provide the requested information:

- Commonwealth of Australia government body
- Australian State or Territory government body (specify State)
- Australian or State/Territory Government Entity
- Emanation (describes any body which provides a public service under the control of **government**).
- Established under legislation of a foreign country (specify country)

If the government body is an entity, an emanation or foreign government body, provide information about the ownership or control of the government body:

**Beneficial owners and Controlling Persons**

This section should be completed by any government entity, emanation or foreign government body. Please provide details of:

- Each individual who ultimately owns 25% or more of the government entity, emanation or foreign government body through direct or indirect shareholdings; OR
- Any individual who is entitled (directly or indirectly) to exercise 25% or more of the voting rights.

If no one satisfies either of the above categories, provide details instead of:

- The most senior managing official(s) (or equivalent) who is/are authorised to make policy, operating or financial decisions or failing that, who is/are authorised to sign on behalf of the government entity, emanation or foreign government body.

All individuals below are required to provide identification (see Section L, 'Investor identification documents').

**Individual 1**

Title  Mr  Mrs  Miss  Ms  Other (specify)

Given names (in full)  Date of birth

Surname/family name

**Residential street address (PO Box is NOT acceptable)**

Unit no.	Street address	Town/suburb
<input type="text"/>	<input type="text"/>	<input type="text"/>
State	Post code	Country
<input type="text"/>	<input type="text"/>	<input type="text"/>

**Individual 2**Title  Mr  Mrs  Miss  Ms  Other (specify) 

Given names (in full)

Date of birth

Surname/family name

**Residential street address (PO Box is NOT acceptable)**

Unit no. Street address

Town/suburb

State

Post code

Country

**Individual 3**Title  Mr  Mrs  Miss  Ms  Other (specify) 

Given names (in full)

Date of birth

Surname/family name

**Residential street address (PO Box is NOT acceptable)**

Unit no. Street address

Town/suburb

State

Post code

Country

**Individual 4**Title  Mr  Mrs  Miss  Ms  Other (specify) 

Given names (in full)

Date of birth

Surname/family name

**Residential street address (PO Box is NOT acceptable)**

Unit no. Street address

Town/suburb

State

Post code

Country

## Section B Investment details and payment method

Please advise the details of your required investment.

Fund name: **Ellerston Overlay Australian Share Fund**

Amount you wish to invest

APIR code

Reinvest all distributions (Y/N) OR

Deposit in nominated account (Y/N)

Please note that the minimum application amount is AU\$50,000.

## Payment Method

Please select your payment method below (tick one). All payments must be in Australian dollars.

**Electronic funds transfer**

Please transfer funds, using your investor name as a reference, at the same time as you post your application to avoid delays in the account opening process. Make your payment to:

Account name: Pacific Custodians Pty Limited – Ellerston Capital Applications

BSB 062 028

Account no. 1066 0620

Reference\* **EAOF [Investor name] E.g. EAOF John Citizen**

\* We will use this reference on our transaction statement and to identify who the payment is from.

**Cheque**

Please make your cheque payable to 'Pacific Custodians Pty Limited - Ellerston Overlay Australian Share Fund and send with this Application Form.

## Section C Distribution payment instructions

If you indicated in Section B above that all distributions are to be paid to your nominated bank account, please provide details here.

Pay income to this Australian bank, building society or credit union account:

Australian institution

Account name

BSB

Branch

Account number

Pay income to this overseas bank, building society or credit union account:

Overseas institution

Account name

BSB (or equivalent)

Branch

Account number

Reference

Prefix or suffix

Other payment instructions

## Section D Contact details and preferred communication method

**ONLY complete this section if you wish to provide alternate contact details from those you provided in Section A.**

Please complete the following if contacts details are different from those provided in Section A. For joint investors, please note that unless you indicate otherwise in this section, the Issuer will use the contact details provided in section A for Investor 1 for all communications, statements, transaction details and so on.

Title  Mr  Mrs  Miss  Ms  Other (specify)

Contact name

Care of (C/-) property name/building name

**Residential street address** (PO Box is NOT acceptable)

Suite no./unit no./level no. and street address

Town/suburb

State

Post code

Country

Work phone

Home phone

Fax

Mobile

Email

## Preferred communication method

### Secure website access

Access to Ellerston Capital Limited's secure website enables you to view your account details online, including your current account value, transaction history and statements. Note that you will need to provide your email address in the contact details above (or as included in Section A) in order to register for access. Joint investors and trustees must register separately.

Please indicate how you would prefer us to communicate with you by ticking the appropriate box:

Mail

Email

## Section E Acting authority or authorised representative

If this application form is being signed by one or more other person/s holding legal authority to act on behalf of the investor or by a representative of the State/Public Trustee, please provide the full name, residential street address and date of birth of the person and provide a copy of the person's certified photographic ID e.g. driving licence or passport. Also indicate the type of authority and provide a certified copy of the authority with this application.

### Individual 1

Title  Mr  Mrs  Miss  Ms  Other (specify)

Given names (in full)

Date of birth

Surname/family name

**Residential street address** (PO Box is NOT acceptable)

Unit no. Street address

Town/suburb

State

Post code

Country

Type of authorisation

POA  Parent/guardian  Executor/administrator  Bankruptcy trustee  Public or State trustee

I confirm that a certified copy of my/our authority to act for the investor is attached.

I confirm that a certified copy of my photographic ID is attached (other than for the State/Public Trustee).

**Individual 2**Title  Mr  Mrs  Miss  Ms  Other (specify) 

Given names (in full)

Date of birth

Surname/family name

**Residential street address** (PO Box is NOT acceptable)

Unit no. Street address

Town/suburb

State

Post code

Country

Type of authorisation

 POA  Parent/guardian  Executor/administrator  Bankruptcy trustee  Public or State trustee I confirm that a certified copy of my/our authority to act for the investor is attached. I confirm that a certified copy of my photographic ID is attached (other than for the State/Public Trustee).**Section F Operating authority**

This section must be completed by all investors.

When giving instruction to us about your investment, please indicate who has authority to operate your account;

**Individual joint accounts** (if no box is ticked we will assume that both/all investors must sign): Either to sign  Both/all to sign**Companies, trusts, super funds, partnerships, sole traders** (if no box is ticked all instructions must be signed by two Directors OR two trustees OR two partners OR director AND secretary OR sole trader): One to sign  Both/all to sign  Other (please specify) **Section G Financial advisor**

Name of advisor/consultant

Company or organisation name

PO Box / RMB / Locked bag/care of (c/-) property name / building name (if applicable)

Suite no./unit no./level no. and street address

Town/suburb

State

Post code

Country

Work phone

Home phone

Fax

Mobile

Email

Would you like your financial advisor to receive copies of information sent to you?  Yes  No

## What are FATCA and CRS? Some background

The US Foreign Account Tax Compliance Act (FATCA) and the Common Reporting Standard (CRS) are two ways in which a large number of governments are seeking the same thing – to improve global tax compliance. Both require financial institutions to capture relevant information on foreign taxpayers, as follows:

- FATCA promotes cross border tax compliance by US taxpayers, by implementing an international standard for the automatic exchange of information related to those taxpayers. Australia has entered into an inter-governmental agreement (IGA) with the US to implement FATCA in Australia, to be administered through the ATO. The AUS-USA FATCA IGA requires the ATO to obtain detailed account information for US citizens and/or taxpayers on an annual basis. The effect of this is that, to satisfy their FATCA obligations, relevant Australian financial institutions must identify any US taxpayers and report those taxpayers' financial account data to the ATO.
- CRS is a global reporting standard, developed by the OECD, for the automatic exchange of information (AEOI). Its goal is to allow tax authorities to obtain a clearer understanding of financial assets held abroad by their residents, for tax purposes. Over 96 countries have agreed to share information on residents' assets and incomes in accordance with defined reporting standards. Once again, this means that financial institutions around the globe must provide tax authorities with taxpayer financial account data, and the financial institutions must therefore collect this information from their customers and pass it on.

For more information go to [www.linkmarketservices.com.au/corporate/FATCA](http://www.linkmarketservices.com.au/corporate/FATCA) and click on the links provided.

## FATCA/CRS information – Who should complete this section?

This section should be completed by the person completing the Application Form who is **authorised to provide tax residency and certification information** for:

- all other applicants, and
- the underlying entity e.g. trust or partnership etc, and
- the beneficial owners and controlling persons.

## 1. FATCA/CRS certification of individual, joint individual, sole trader or deceased estate

If you are an **individual, joint individual, a sole trader**, or you will hold the account on behalf of another individual or a deceased estate, then please select the best option below and answer the associated questions. If your account is held on behalf of an entity, e.g. a company, trust, partnership etc, please go to the section on the next page 'FATCA and CRS certification of an entity.' If you do not provide this information, we will not be able to accept your application.

### Is the following statement correct? (Tick if applicable)

- Your account is held by an individual or an entity acting in the capacity of executor or administrator of a deceased estate, where EITHER certified copies of the death certificate or Grant of Probate/Letters of Administration have already been provided to us, OR certified copies of these documents are attached to this application.

If you selected the above, your FATCA/CRS certification is complete and **no further information is required**.

### Is/are all of the individual applicants (including the person/s for whom the account will be held e.g. a children's account) a citizen or a resident for tax purposes in a country other than Australia?

- Yes – please complete 1.2 **Foreign Individual Investors and Individual Beneficial Owner** details below. **Note:** If an individual is both an Australian and a foreign tax resident, or a tax resident of more than one foreign country, you must also provide this information.
- No – your FATCA/CRS certification is complete and **no further information is required**.
- Only some of the individuals are Australian tax residents:
- For those Individuals who are **Australian tax residents only** (including the person/s for whom the account is held), please complete 1.1 **Australian tax resident information** below.
  - For the remaining individuals (ie who are NOT solely Australian tax residents), please complete 1.2 **Foreign Individual Investors and Individual Beneficial Owner** details below.

### 1.1 Australian tax resident information

Full name of Australian tax resident 1

Full name of Australian tax resident 2

Full name of Australian tax resident 3



## 1.2 Foreign Individual Investor(s) and Individual Beneficial Owner(s) details

Please provide ALL information, including your foreign TIN (Taxpayer Identification Number), or exclusions, as relevant. Where a TIN is issued by your jurisdiction, failure to provide this information may result in your application not being processed.

Full name of individual 1 Date of birth

Street address (*PO Box is NOT acceptable*)

Country 1 of tax residency Country 2 of tax residency Country 3 of tax residency

TIN 1  OR  Country does not require collection of TINs  
 TIN is available but, has not obtained or has not been issued a TIN

TIN 2  OR  Country does not require collection of TINs  
 TIN is available but, has not obtained or has not been issued a TIN

TIN 3  OR  Country does not require collection of TINs  
 TIN is available but, has not obtained or has not been issued a TIN

Full name of Individual 2 Date of birth

Street address (*PO Box is NOT acceptable*)

Country 1 of tax residency Country 2 of tax residency Country 3 of tax residency

TIN 1  OR  Country does not require collection of TINs  
 TIN is available but, has not obtained or has not been issued a TIN

TIN 2  OR  Country does not require collection of TINs  
 TIN is available but, has not obtained or has not been issued a TIN

TIN 3  OR  Country does not require collection of TINs  
 TIN is available but, has not obtained or has not been issued a TIN

Full name of Individual 3 Date of birth

Street address (*PO Box is NOT acceptable*)

Country 1 of tax residency Country 2 of tax residency Country 3 of tax residency

TIN 1  OR  Country does not require collection of TINs  
 TIN is available but, has not obtained or has not been issued a TIN

TIN 2  OR  Country does not require collection of TINs  
 TIN is available but, has not obtained or has not been issued a TIN

TIN 3  OR  Country does not require collection of TINs  
 TIN is available but, has not obtained or has not been issued a TIN

## 2. FATCA and CRS certification of an entity

If you are an investor that is one of the following:

- **A company or other incorporated body, or**
- **Another type of entity e.g. a trust, partnership, cooperative or association etc, or**
- **An individual/s that will hold the Account on behalf of another entity that is a superannuation fund, trust, partnership, government body, co-operative, association or other type of entity,**

then please select the best option below and answer the associated questions. If you do not provide this information, we will not be able to accept your application.

**The following best describes your organization (tick one)**

- An Australian regulated superannuation fund** (including a complying SMSF), retirement or pension fund. Please provide a printout from the ATO's ABN Lookup or APRA that displays the fund's status.

Please provide your ACN, ABN, ARBN or ARSN to complete your certification.

No further information is required.

- An account held by an entity acting in the capacity of executor or administrator of a deceased estate**, where EITHER certified copies of the death certificate or Grant of Probate/Letters of Administration have already been provided to us, OR certified copies of these documents are attached to this application.

If you select this option, your certification is complete and no further information is required.

- Public Listed Company, Majority Owned Subsidiary of a Public Listed company**, (includes public listed companies or majority owned subsidiaries of listed companies that are not Financial Institutions)

Please provide the name of the market or stock exchange where your company is listed.

Please provide your unique reference code here, eg ASX number, ticker code.

No further information is required.

- Not a Financial Account.** Certain accounts are NOT considered to be 'Financial Accounts' for the purposes of CRS and FATCA. These include:

- An Employee Share Scheme or Trust as defined in the Income Tax Assessment Act 1997
- An Escrow Account established in connection with a court order or judgment, or a sale, exchange, or lease of real or personal property where certain requirements have been met.

If you select this option, your certification is complete and no further information is required.

- Exempt Beneficial Owner.** Under CRS and FATCA, an Exempt Beneficial Owner includes, but is not limited to:

- Australian government organisation or agency
- Reserve Bank of Australia
- International (including intergovernmental) organization

If you select this option, your certification is complete and no further FATCA/CRS information is required.

- Financial institution.** Includes:

- Depository institution
- Investment entity
- Specified insurance company
- Custodian institution.

If you select this option, please complete **2.1 Financial Institution** below.

- Non-Financial Entity (NFE) or (NFFE).** This includes the following entity types:

- Private or proprietary company that is NOT a financial institution
- Public unlisted company that is NOT a financial institution
- Partnership
- Trust
- Co-operative
- Association or club
- Registered or non-registered charitable organization

If you selected this option, please complete **2.2 NFE/NFFE entities** below.

### 2.1 Financial Institution

What is your GIIN?

If you do not have a GIIN, what is your financial institution status? (Tick one):

- Deemed Compliant FFI (foreign financial institution)
- Excepted FFI
- Non-participating FFI
- Other (please specify)

**Are you an Investment Entity (financial institution) located in a non-CRS participating jurisdiction and professionally managed by another financial institution?**

Yes  No

If you answered **YES**, please complete the remainder of this section and **2.2 NFE/NFFE entities**.

**Is the registered holder of this account also a financial institution?**

Yes  No

If you answered **Yes**, please provide the GIIN (below) for the registered holder.

**What is holder's GIIN?**

**If holder does not have a GIIN, what is its financial institution status (tick one):**

Deemed Compliant FFI

Excepted FFI

Non-participating FFI

Other (please specify)

This completes the required information for Financial Institutions.

## 2.2 NFE/NFFE entities

An entity is Active if it derives more than 50% of its income from the sale of goods or services AND it uses more than 50% of its assets to generate income from the sale of goods or services. An NFE is Passive if it does not fit the description of an Active entity, OR is a professionally-managed investment entity located in a non-participating CRS (Common Reporting Standard) jurisdiction.

**Is the NFE/NFFE Active or Passive?**

Active If Active, please complete **2.3 Entity foreign tax residency information**

Passive If Passive, please complete **2.3 Entity foreign tax residency information** and **2.4 Entity foreign beneficial owner(s) or \*\*Controlling Persons details**

## 2.3 Entity foreign tax residency information (tick and/or provide details as indicated)

**Is this account holder a US citizen or a resident for tax purposes in a country other than Australia?**

Yes  No

If you answered **No**, your certification is complete and no further information is required.

If you answered **Yes**, please provide ALL information, including your foreign TIN (Taxpayer Identification Number) or exclusions, as relevant. Where a TIN is issued by your jurisdiction, failure to provide this information may result in your application not being processed.

Country of tax residency 1

Address

TIN 1  OR  Country does not require collection of TINs

TIN is available but, has not obtained or has not been issued a TIN

TIN 2  OR  Country does not require collection of TINs

TIN is available but, has not obtained or has not been issued a TIN

TIN 3  OR  Country does not require collection of TINs

TIN is available but, has not obtained or has not been issued a TIN

## 2.4 Entity foreign beneficial owner(s) or \*\*Controlling Persons details

**Is/Are any of the beneficial owner(s) or controlling persons a U.S. citizen or a resident for tax purposes in a country other than Australia?**

Yes  No

If you answered **No**, your certification is complete and no further information is required.

If you answered **Yes**, please provide ALL information, including your foreign TIN (Taxpayer Identification Number) or exclusions, as relevant. Where a TIN is issued by your jurisdiction, failure to provide this information may result in your application not being processed.

Full name of individual 1

Date of birth

Street address (PO Box is NOT acceptable)

Country 1 of tax residency	Country 2 of tax residency	Country 3 of tax residency
<input type="text"/>	<input type="text"/>	<input type="text"/>

- TIN 1  OR  Country does not require collection of TINs  
 TIN is available but, has not obtained or has not been issued a TIN
- TIN 2  OR  Country does not require collection of TINs  
 TIN is available but, has not obtained or has not been issued a TIN
- TIN 3  OR  Country does not require collection of TINs  
 TIN is available but, has not obtained or has not been issued a TIN

Full name of Individual 2	Date of birth
<input type="text"/>	<input type="text"/>

Street address (PO Box is NOT acceptable)

Country 1 of tax residency	Country 2 of tax residency	Country 3 of tax residency
<input type="text"/>	<input type="text"/>	<input type="text"/>

- TIN 1  OR  Country does not require collection of TINs  
 TIN is available but, has not obtained or has not been issued a TIN
- TIN 2  OR  Country does not require collection of TINs  
 TIN is available but, has not obtained or has not been issued a TIN
- TIN 3  OR  Country does not require collection of TINs  
 TIN is available but, has not obtained or has not been issued a TIN

Full name of Individual 3	Date of birth
<input type="text"/>	<input type="text"/>

Street address (PO Box is NOT acceptable)

Country 1 of tax residency	Country 2 of tax residency	Country 3 of tax residency
<input type="text"/>	<input type="text"/>	<input type="text"/>

- TIN 1  OR  Country does not require collection of TINs  
 TIN is available but, has not obtained or has not been issued a TIN
- TIN 2  OR  Country does not require collection of TINs  
 TIN is available but, has not obtained or has not been issued a TIN
- TIN 3  OR  Country does not require collection of TINs  
 TIN is available but, has not obtained or has not been issued a TIN

\*Capitalised terms used in this section have the meanings defined in the intergovernmental agreement between the Australian and governments to improve international tax compliance and to implement FATCA dated 28 April 2014.

\*\* A Controlling Person means any individual who ultimately beneficially owns 25% or more of an entity or controls the entity, including control through a chain of ownership or by means of control other than direct control.

## Section I Subscription terms and conditions

To subscribe for New Units, an applicant (the **Subscriber**) must execute this Application Form. An application is only accepted on confirmation of acceptance in a Transaction Statement by Ellerston Capital Limited.

The Subscriber agrees to subscribe for New Units on these Subscription Terms and Conditions and in accordance with the Constitution.

### 1. Definitions

The following definitions apply to terms in this Appendix 1. Terms not defined in this Appendix have the meaning set out in the Glossary to the Information Memorandum. The principles of interpretation set out in the Glossary of the Information Memorandum also apply in this Application Form.

**Application Form** means this form upon which an application for New Units is made by a Subscriber.

**Application Price** means the sum payable for each New Unit calculated in accordance with this Application Form.

**Custodian** means the custodian (if any) for the Subscriber, named in this Application Form.

**Information Memorandum** means the Ellerston Overlay Australian Share Fund Information Memorandum dated 11 January 2012.

**New Unit** means a new fully paid unit in the Ellerston Overlay Australian Share Fund Units which is the subject of this Application Form.

**Payment Date** means the date, specified by Ellerston Capital Limited in the Transaction Statement on which payment for New Units falls due.

**Transaction Statement** means the notice given by Ellerston Capital Limited to the Subscriber specifying the amount for which the Application has been accepted and the Payment Date.

**Register** means the register of members kept on behalf of Ellerston Capital Limited as responsible entity of Ellerston Overlay Australian Share Fund by Link Market Services Limited.

**Subscription Terms and Conditions** means these terms and conditions on which applications for New Units are made and agreed to by the Subscriber.

### 2. Subscriber to procure performance by custodian

Where a Subscriber nominates a Custodian and the Custodian becomes a Unitholder, the Subscriber undertakes to procure that the Custodian, as Unitholder, performs the obligations and observes the restrictions imposed on it under this Application Form.

### 3. Application for New Units

- a) By lodging the Application Form, the Subscriber irrevocably applies for New Units, at the Application Price, up to the aggregate amount as set out in the Subscriber's Application Form (**Application Amount**) with the number of New Units being rounded down to the next whole number.
- b) The Application Amount is not payable on lodgement of the Application Form.
- c) If the Subscriber's Application is accepted in whole or in part, Ellerston Capital Limited will send the Subscriber a Transaction Statement setting out the amount in respect of which the Application has been accepted.
- d) A Subscriber's commitment is valid and enforceable against the Subscriber from the date on which the Subscriber's Application is accepted (**Effective Date**).
- e) The Subscriber must pay the Subscription Amount to Pacific Custodians Pty Limited Ellerston Overlay Australian Share Fund on the Payment Date.

### 4. Indemnity

The Subscriber indemnifies Ellerston Capital Limited and each of its officers, employees, advisers and agents (the **Indemnified Parties**) against all Claims and Liabilities (including legal costs on a full indemnity basis) incurred or suffered by or brought by or made or recovered against the Indemnified Parties in connection with, or arising out of, any breach of any provision of these Subscription Terms and Conditions by the Subscriber.

### 5. Subscriber's acknowledgement

The Subscriber acknowledges and agrees that in considering whether or not to apply for New Units and in proceeding to engage in due diligence enquiries, it did so on the basis that the Information Memorandum it received containing information concerning the Ellerston Overlay Australian Share Fund expressly excluded any reliance on information given to the Subscriber or statements or representations of Ellerston Capital Limited;

- a) The Subscriber represents and warrants to Ellerston Capital Limited that:
  - (i) in conducting due diligence, and subscribing for New Units, the Subscriber did not and does not rely on any statement, representation, warranty, condition, forecast or other conduct which may have been made by or on behalf of Ellerston Capital Limited including, to avoid doubt, the Information Memorandum;
  - (ii) it has had the opportunity to conduct due diligence and has satisfied itself in relation to matters arising from the due diligence;
  - (iii) it understands, acknowledges and accepts the risks and uncertainties of the industry in which the Ellerston Overlay Australian Share Fund operates and the general economic risks that impact on, or could reasonably be expected to impact on the Ellerston Overlay Australian Share Fund, its assets, results, operations and prospects;
  - (iv) irrespective of whether or not the due diligence was as full or exhaustive as the Subscriber would have wished, it has nevertheless, independently and without the benefit of any inducements, representations or warranties from Ellerston Capital Limited or any of its respective directors, officers, employees, agents or advisers, determined to enter into this Application Form; and
  - (v) the disclosures regarding the Ellerston Overlay Australian Share Fund including the information, forecasts and statements of intent contained in material provided to the Subscriber, and made in management presentations, are accepted by the Subscriber based on their own enquiries and understanding.
- b) The Subscriber acknowledges and agrees that, to the extent permitted by law, none of Ellerston Capital Limited or any of its respective directors, officers, employees, agents or advisers:
  - (i) has made or makes any representation or warranty as to the accuracy or completeness of any disclosure or the provision of any information;
  - (ii) accepts any duty of care in relation to the Subscriber in respect of any such information; and

- (iii) is to be liable to the Subscriber if, for whatever reason, any such information is or becomes inaccurate, incomplete or misleading in any particular way.
- c) Subject to any law to the contrary, all terms conditions, warranties and statements, whether expressed, implied, written, oral, collateral, statutory or otherwise, are excluded, and Ellerston Capital Limited and its respective directors, officers, employees, agents and advisers disclaim all Liabilities in relation to them to the maximum extent permitted by law.
- d) The Subscriber acknowledges that:
  - (i) it has read and understood, the Information Memorandum;
  - (ii) Ellerston Capital Limited has issued the Information Memorandum and other information and materials relating to the offer, and has made the invitation to apply for Units in the Ellerston Overlay Australian Share Fund only in its capacity as responsible entity of the Ellerston Overlay Australian Share Fund, and in no other capacity, and its liability is limited to and can be enforced to the extent to which it can be and is in fact satisfied out of property of the Ellerston Overlay Australian Share Fund from which Ellerston Capital Limited is actually indemnified for the liability. This limitation of Ellerston Capital Limited's liability applies to all liabilities and obligations of Ellerston Capital Limited in any way connected with any representation, warranty, conduct, omission, document or transaction related to the Ellerston Overlay Australian Share Fund and the invitation to apply for Units in the Ellerston Overlay Australian Share Fund.

#### **6. Representations and warranties by Subscriber**

The Subscriber represents and warrants to Ellerston Capital Limited that each of the following statements is true, accurate and not misleading as at the date of the Application Form and the Payment Date:

- a) its execution, delivery and performance of this Application including the Subscription Terms and Conditions does not violate its constitution (or other constituent documents);
- b) it is a validly existing entity under the laws of its place of incorporation or establishment;
- c) it has the corporate power to enter into and perform its obligations under this Application Form and to carry out the transactions contemplated thereby;
- d) it has taken all necessary corporate action to authorise its entry into the execution, delivery and performance of this Application Form and to carry out the transactions contemplated by this Application Form;
- e) this Application Form is a valid and binding obligation on it;
- f) if situated outside Australia, it is a person to whom an invitation or offer to subscribe for New Units in the manner contemplated by the Information Memorandum and this Application Form is permitted by the laws of the jurisdiction in which it is situated and it is a person to whom the New Units can lawfully be offered and issued to under all applicable laws, without the need for any registration, formality or lodgement and it satisfies the requirements in the applicable jurisdictions and makes the warranties and representations set in clauses 9 to 11 below;
- g) in subscribing for New Units, it is in compliance with all relevant laws and regulations (including, without limitation, the requirements of the Australian Corporations Act.
- h) neither its entry into nor the performance by it of this Application Form nor any transaction contemplated under this Application Form violates in any material respect any provision of any judgment binding on it, its constituent documents, any law or any document, agreement or other arrangement binding on it or its assets; and
- i) it agrees to provide Ellerston Capital Limited with any other information or material that is reasonably required to establish the Subscriber's authority to apply for and acquire New Units and its compliance with applicable laws or to enable Ellerston Capital Limited to comply with its Anti-Money Laundering Policy.

#### **7. Additional representations where the Subscriber is a trustee**

On execution of this Application Form where the Subscriber is a trustee, it represents and warrants to Ellerston Capital Limited that each of the following statements is true, accurate and not misleading as at the date of the Application Form and the Payment Date:

- a) it is empowered by the trust deed establishing the trust under which it is appointed as trustee (Trust Deed) to enter into and perform its obligations under Application Form and to carry out the acts and transactions contemplated by this Application Form;
- b) all necessary resolutions have been duly passed and all consents, approvals and other procedural matters have been obtained or attended to as required by the Trust Deed;
- c) it is the sole trustee of the trust;
- d) no property of the trust is liable to be re settled or set aside or transferred to any other trust;
- e) the trust has not been terminated, nor has any event for the vesting of the assets of the trust occurred;
- f) subject to the terms of the Trust Deed and limitations which may be imposed by general law, its right of indemnity out of, and lien over, the assets of the trust have not been limited in any way. To the best of its knowledge, it has no liability which may be set off against that right of indemnity; and
- g) to the best of its knowledge, it has complied with all obligations and duties under the Trust Deed and at law where failure to comply would have a material adverse effect on its ability to perform under this Application Form.
- h) You are acquiring the New Units for your own account for investment purposes only and not with a view to resale or distribution.

#### **8. Notices**

Each communication (including each notice, consent, approval, request and demand) under or in connection with this Application Form:

- a) must be in writing;
- b) must be addressed as follows (or as otherwise notified by that Party to each other Party from time to time).

**Ellerston Capital Limited**  
**c/o Link Market Services**  
 PO Box 3721  
 Rhodes, NSW 2138  
 Telephone: 1800 992 149

## **Subscriber**

Address provided by the Subscriber on the Application Form

- c) must be signed by the Party making it or (on that Party's behalf) by the solicitor for, or any attorney, director, secretary or authorised agent of, that Party;
- d) must be delivered by hand or posted by prepaid post to the address, or sent by fax to the number, of the addressee, in accordance with clause 16(b); and
  - (i) is taken to be received by the addressee:(in the case of prepaid post sent to an address in the same country) on the third day after the date of posting;
  - (ii) (in the case of prepaid post sent to an address in another country) on the fifth day after the date of posting by airmail;
  - (iii) (in the case of fax) at the time in the place to which it is sent equivalent to the time shown on the transmission confirmation report produced by the fax machine from which it was sent; and
  - (iv) (in the case of delivery by hand) on delivery, but if the communication is taken to be received on a day that is not a business day or after 5.00pm, it is taken to be received at 9.00am on the next business day.

## **9. General**

### **9.1 Governing law**

This Application Form is governed by and must be construed according to the law applying in New South Wales.

### **9.2 Jurisdiction**

Each Party irrevocably:

- a) submits to the non-exclusive jurisdiction of the courts of New South Wales, and the courts competent to determine appeals from those courts, with respect to any proceedings that may be brought at any time relating to this Application Form; and
- b) waives any objection it may now or in the future have to the venue of any proceedings, and any claim it may now or in the future have that any proceedings have been brought in an inconvenient forum, if that venue falls within clause 17.2(a).

### **9.3 Amendments**

The Subscription Terms and Conditions may only be varied by or on behalf of Ellerston Capital Limited and the Subscriber in writing.

### **9.4 Waiver**

- a) Failure to exercise or enforce, or a delay in exercising or enforcing, or the partial exercise or enforcement of, a right, power or remedy provided by law or under this Application Form by a party does not preclude, or operate as a waiver of, the exercise or enforcement, or further exercise or enforcement, of that or any other right, power or remedy provided by law or under this Application Form.
- b) A waiver or consent given by a party under this Application Form is only effective and binding on that Party if it is given or confirmed in writing by that party.
- c) No waiver of a breach of a term of this Application Form operates as a waiver of another breach of that term or of a breach of any other term of this Application Form.

### **9.5 Further acts and documents**

Each party must promptly do all further acts and execute and deliver all further documents (in form and content reasonably satisfactory to that party) required by law or reasonably requested by the other party to give effect to this Application Form.

### **9.6 Consents**

Consent required under this Application Form from a party may be given or withheld, or may be given subject to any conditions, as that Party (in its absolute discretion) thinks fit, unless this Application Form expressly provides otherwise.

### **9.7 Assignment**

A party cannot assign, novate or otherwise transfer any of its rights or obligations under this Application Form without the prior consent of the other party.

## Section J Declarations and signatures

All parties must sign for joint applications. If signed under Power of attorney, the attorney must enclose a certified copy of the Power of Attorney and declare that he / she has not received notice of revocation of that power. The Power of Attorney must also enclose a certified copy of their driver's licence or passport, proof of identity or age card. If the application is for a company, two directors or a director and secretary must sign, unless the company is a sole director company, in which case the sole director only must sign.

### I / we acknowledge that by signing below:

I / we declare that the details given in this application form are true and correct. I / we acknowledge that by signing this application form, I / we:

- agree to become bound by the provisions of the Constitution of the Fund, as may be amended from time to time;
- understand that you may need to contact me and that I may need to provide additional information to meet the requirements of the Anti-Money Laundering and Counter-Terrorism Financing legislation; and
- agree to subscribe for New Units on the Subscription Terms and Conditions set out in Section K of this Application Form including by providing the representations and warranties set out therein.

### I/We acknowledge that I/we understand that:

- units in the Fund do not represent deposits or other liabilities of Ellerston Capital Limited or any other member of the Ellerston Capital Limited group;
- investing in the Fund is subject to investment risk, including possible delays in repayment and loss of income and principal invested; and
- neither Ellerston Capital Limited nor any other entity guarantees the performance of the Fund or the repayment of capital invested in the Fund.

### I / we acknowledge that by signing this application form:

- I / we agree to provide any additional information and/or documentation required by Ellerston Capital Limited for FATCA/CRS purposes (in addition to that provided in Section H of this form) upon request, and to inform Ellerston Capital Limited if a change in circumstances means that any of the information or documentation provided is no longer correct.

Dated:

Name of investor 1

Signature of investor 1

#### Tick capacity (mandatory for companies)

Sole Director  Director  Secretary

Name of investor 2

Signature of investor 2

#### Tick capacity (mandatory for companies)

Sole Director  Director  Secretary

### Power of Attorney

Executed by and on behalf of

by its attorney:

Attorney name

Attorney signature

in the presence of:

Witness name

Witness signature

#### Attorney's residential address (mandatory)

PO Box / RMB / Locked bag/care of (c/-) property name / building name (if applicable)

Suite no./unit no./level no. and street address

Town/suburb

State

Post code

Country (if not Australia)



Please read this section CAREFULLY to ensure you include the required documents with your application, and tick the documents you are providing below.

**Important notes:**

- **Foreign language documents:** MUST be accompanied by an English translation prepared by an accredited translator.
- **Providing certified copies:** Where a certified copy is required, the investor should ensure that the requisite certification is signed by a suitably qualified person.

**Individuals, sole traders, individual trustees or partners, beneficial owners or individual governing member of an association or registered co-operatives, or beneficiaries (if required)**

Please complete EITHER Option 1 OR Option 2 and attach the applicable documents to your application. Note that, for an applicant who is a natural person or a beneficiary (if required), a document provided must not have expired, other than in the case of a passport issued by the Commonwealth that has expired in the last two years.

**Option 1: Please attach at least ONE certified document from the list below****Primary photographic identity document:**

- Driver's licence or permit under a State/Territory government or an equivalent authority of a foreign country.
- Australian passport (current or expired within the last two years).
- Foreign passport or travel document that has a photograph and signature of the individual.
- Proof of age card provided by a State or Territory government.
- National identity card issued by a foreign government that has a photograph and signature of the individual.

**OR****Option 2: Please attach at least ONE primary non-photographic certified document and at least ONE certified secondary document from the lists below****Primary non-photographic identity document:**

- Australian birth certificate or birth extract.
- Australian citizenship certificate.
- Foreign citizenship certificate.
- Foreign birth certificate.
- Centrelink Pension Card or Centrelink Healthcare Card.

**AND****Secondary non-photographic identity document:**

- A financial benefit document issued by the Commonwealth, State or Territory in the last 12 months that contains the name and address of the individual.
- An income tax assessment notice issued in the last 12 months that contains the name and address of the individual.
- A local government notice (e.g. rates notice) or utilities notice (e.g. gas or electricity bill) issued with the last 3 months.

**Public companies****Each of the following:**

- A recent company extract from ASIC (or overseas company regulator) or certificate of incorporation.
- Specimen signatures of authorised signatories who are permitted to transact on the investment.
- If listed on a stock exchange, a list of names and addresses of shareholders holding 10% or more of the issued share capital.
- Where the company is not regulated by ASIC or an overseas regulator, individual shareholders holding more than 25% of issued share capital must produce the documentation listed above for Individual Applicants.

**Proprietary companies****Each of the following:**

- A recent company extract from ASIC (or overseas company regulator) or certificate of incorporation.
- Specimen signatures of authorised signatories who are permitted to transact on the investment.
- A list of names and addresses of shareholders holding 10% or more of the issued share capital.
- Where the company is not regulated by ASIC or an overseas regulator, individual shareholders holding more than 25% of issued share capital must produce the documentation listed above for Individual Applicants.

## Custodians/nominees

If you are a custodian of a managed investment scheme, superannuation fund, investor directed portfolio service (IDPS), IDPS-like scheme or managed discretionary account service, please provide one of these documents to confirm your appointment as custodian.

- An extract of the custody agreement.
- A letter from the operator/issuer of the relevant fund/scheme.

## Trust or partnership (includes self-managed superannuation funds)

All individual trustees or partners should provide 'Individuals, sole traders etc' documentation, whereas corporate trustees should provide 'Company and corporate trustees' documentation. Tick as applicable:

- A certified copy of the trust deed or a certified copy of an extract or extracts from the trust deed that identifies the name of the trust, the name(s) of the trustee(s); the name of the settlor (if applicable); the place of establishment of the trust; and the identity of the beneficiaries; and
- Individual trustee or partner – Attach documentation as specified under 'Individuals/sole traders... (etc.) above OR
- Corporate trustee or partner – Attach documentation as specified under 'Public companies' or 'Proprietary companies'

## Trust or partnership (this excludes self-managed superannuation funds)

Please attach at least one identification document from the list below which verifies the identity of the trust or partnership (tick as applicable):

- A certified copy of the trust deed or a certified copy of an extract or extracts from the trust deed that identifies the name of the trust, the name(s) of the trustee(s); the name of the settlor (if applicable); the place of establishment of the trust; and the identity of the beneficiaries.
- A certified copy or certified extract of a current partnership agreement or minutes of a partnership meeting. Either copy must include the full name of the partnership; the registered business name; the country in which the partnership was established; and the full name and residential address of each partner.
- A certificate issued to the trust by ASIC or other regulator.

## Associations and registered co-operatives

Please attach at least one identification document from the list below which verifies the association or co-operative. If you are an unincorporated association please attach documentation as specified under 'Individuals/sole traders...(etc.)' above.

### Association and registered co-operative identity document(s)

- A certified copy of the constitution or rules of the association or co-operative.
- A certificate issued to the association or co-operative by ASIC or other regulator.
- A certified copy of the minutes of an association or co-operative meeting.

### Individual governing members identity document(s)

- If you are an unincorporated association please attach documentation as specified under 'Individuals/sole traders...(etc.)' above for all the individual governing members.

## Government bodies

Please attach at least one identification document from the list below which verifies the identity of the government body.

- A certified copy of the constitution.

## Power of attorney

Please complete this section if one or more attorneys are completing and signing this form under power of attorney and attach the applicable documents.

### Proof of identity and attorney's authority to act

- A certified copy of the Power of Attorney's driving licence, passport or other photographic identification which confirms the full name and residential address and contains your signature.
- A certified copy of the Power of Attorney which confirms that any attorney completing and signing this form is authorized to do so under the power of attorney. If the power of attorney does not contain a sample of each attorney's signature, please also provide a list containing the name of each attorney and a sample of each attorney's signature.