



SG HISCOCK & COMPANY

Date Issued: 11 May 2010

To be read in conjunction with the Product Disclosure Statement issued 21 April 2006

## Supplementary Product Disclosure Statement

### **EQT SGH Absolute Return Trust**

ARSN 105 436 753 APIR ETL0006AU

### **EQT Small Companies Fund**

ARSN 095 852 341 APIR ETL0109AU

## EQT SGH Absolute Return Trust

ARSN 105 436 753

Registered as 'SGH Professional Investors Absolute Return Trust'

### Supplementary Product Disclosure Statement Dated 11 May 2010

This is a Supplementary Product Disclosure Statement ('SPDS') which supplements the EQT SGH Absolute Return Trust (ARSN 105 436 753) (the 'Fund') Product Disclosure Statement ('PDS') dated 21 April 2006.

The issuer of the SPDS and PDS is Equity Trustees Limited ('EQT' or 'Responsible Entity') (ABN 46 004 031 298, AFSL 240975), which is the responsible entity of, and issuer of interests in, the Fund.

#### About this SPDS

This SPDS should be read in conjunction with the PDS. If you receive this SPDS electronically, EQT will provide you with a paper copy, if requested. Terms defined in the PDS have the same meaning in this SPDS unless defined otherwise in this SPDS.

The purpose of this SPDS is to update the information in the PDS.

#### Amendments to PDS

##### Appointment of a Prime Broker

As of the date of this SPDS a prime broker has been appointed to the Fund. The prime broker is Deutsche Bank AG (acting through its London branch).

##### 1. Page 2

The fifth paragraph on page 2 is deleted and replaced with the following:

The Responsible Entity, the Investment Manager, the prime broker appointed to the Fund and their respective employees, agents or officers do not guarantee the success, repayment of capital or any rate of return on income or capital or investment performance of the Fund. Past performance is no indication of future performance. Units in the Fund are offered and issued by the Responsible Entity on the terms and conditions described in this PDS. You should read this PDS in its entirety because you will become bound by it if you become a direct investor in the Fund.

##### 2. About the Prime Broker – Page 6

A new section is to be inserted at the end of the section entitled 'About the Investment Manager' on page 6, as follows:

##### About the Prime Broker

The Responsible Entity on behalf of the EQT SGH Absolute Return Trust has appointed Deutsche Bank AG, acting through its London branch ('DB'), as the prime broker under the terms of a Prime Brokerage Agreement (the 'Agreement'). DB is authorised by the German Bundesanstalt für Finanzdienstleistungsaufsicht ('BaFin') and regulated by the UK Financial Services Authority ('FSA') for the conduct of its UK business.

DB provides custody, settlement, financing and reporting services to the EQT SGH Absolute Return Trust for the purchase and sale of securities (as defined in the Agreement) entered into by the EQT SGH Absolute Return Trust with either third parties, DB or affiliates of DB. Financing purchases and sales includes both cash and securities advances to the EQT SGH Absolute Return Trust at the discretion of DB.

DB is responsible for the safekeeping of all securities delivered to it in accordance with the applicable rules of the BaFin and the terms of the Agreement.

The Agreement provides that securities recorded in the 'securities account' as being held for the benefit of the EQT SGH Absolute Return Trust, are held on trust for the EQT SGH Absolute Return Trust. DB has been granted a security interest over the interests and rights in those securities. The securities are held in one or more segregated 'securities accounts', separately from DB's own assets, so that they can be identified at any time as belonging to the EQT SGH Absolute Return Trust and as separate from DB's own securities. Subject to any conflicting legal and regulatory requirements in the jurisdiction of any relevant sub-custodian and except as outlined below, the securities should be unavailable to DB's creditors in the event of its insolvency. Where DB arranges for securities to be held through sub-custodians in overseas jurisdictions, there may be different settlement, legal and regulatory requirements that may apply from those applying in the UK, together with different practices for the separate identification of such securities, and the EQT SGH Absolute Return Trust's rights relating to those securities may differ accordingly in the event of DB's insolvency.

DB may, at all times, appropriate for its own account and deal with securities recorded in the securities account as being held for the benefit of the EQT SGH Absolute Return Trust, provided that the total amount so appropriated will not exceed 100% of the value of securities advanced and financing provided to the EQT SGH Absolute Return Trust by DB (as specified in the Agreement). Securities so appropriated will continue to be recorded in the securities account, however such securities will become the property of DB and may be available to DB's creditors in the event of its insolvency. DB will be contractually obliged to deliver equivalent securities (as defined in the Agreement) to the EQT SGH Absolute Return Trust pursuant to the Agreement.

Any cash transferred to or held by DB is not treated as client money, but is held as collateral and is not be subject to the client monies protections conferred by the UK Financial Services Authority ('FSA') rules relating to client money. This money is held by DB as banker and not as a trustee or agent. DB is not required to place this money in a segregated client account and may instead use it in the course of its business. The EQT SGH Absolute Return Trust therefore ranks equally with DB's other account holders in relation to these monies transferred to or held by DB.

DB may (subject to local legal and regulatory requirements) hold securities with a sub-custodian in a single account that is identified as belonging to customers of DB. DB identifies in its books and records that part of the securities held by a sub-custodian is held for the EQT SGH Absolute Return Trust.

DB is obliged to exercise reasonable skill, care and diligence in the selection of any sub-custodian. DB is responsible to the EQT SGH Absolute Return Trust for the duration of the sub-custody agreement for satisfying itself as to the ongoing suitability of the sub-custodian to provide custodial services to the EQT SGH Absolute Return Trust. The level of assessment conducted with regard to the selection and supervision of an affiliated company as sub-custodian is required to be at least as rigorous as that performed on any non-affiliated company when determining its suitability. DB is obliged to maintain an appropriate level of supervision over the sub-custodian and makes appropriate enquiries periodically to confirm that the obligations of the sub-custodian continue to be competently discharged.

DB is responsible for the acts of any sub-custodian or nominee which is an affiliated company (and therefore for losses to the EQT SGH Absolute Return Trust arising as a result of such acts) to the same extent as for its own acts, including any act or omission, fraud, negligence or wilful default. Where DB has appointed a sub-custodian which is not an affiliated company, it is not liable for any act or omission, or for the insolvency, of such sub-custodian or for any loss, unless DB has failed to exercise reasonable skill, care and diligence in the selection of the sub-custodian.

The Responsible Entity on behalf of the EQT SGH Absolute Return Trust has agreed to generally indemnify DB against all and any actions, claims, damages, disbursements, costs, expenses, fees, losses, proceedings and all liabilities which DB may sustain in connection with providing services in accordance with the Agreement.

DB does not provide investment advisory or discretionary management services to the EQT SGH Absolute Return Trust. DB is obliged to act strictly in accordance with instructions received from the EQT SGH Absolute Return Trust.

DB has been assigned a credit rating and as at the date of this SPDS the financial resources of Deutsche Bank AG exceed US\$200 million. DB is paid normal commercial rates.

The Responsible Entity reserves the right to change the prime brokerage and custodian arrangements described above by agreement with DB and/or, in its discretion, to appoint additional or alternative prime broker(s) and custodian(s) without notice to investors. Investors will be notified in due course of any change to, or appointment of additional, prime broker(s) and custodian(s). The Agreement provides that the appointment of DB will continue in force unless and until terminated by either party giving to the other not less than 30 days' written notice.

The Responsible Entity may also use other entities in the group of companies to which the prime broker belongs and other brokers and dealers for the purposes of executing transactions for the EQT SGH Absolute Return Trust.

### 3. Managing Risk – pages 9 and 10

The following is inserted at the end of the section entitled 'Managing Risk' at page 10:

#### **Prime Broker credit risk**

*(EQT SGH Absolute Return Trust only)*

The prime broker has general custody of the EQT SGH Absolute Return Trust's assets, but may appoint sub-custodians. The prime broker is liable for losses arising out of the negligence, wilful default or fraud of any sub-custodian that is an affiliate of, the prime broker, but not of any other sub-custodian or securities depository except where the prime broker fails to exercise reasonable skill, care and diligence in the selection, appointment, monitoring, and continued use of any such sub-custodian or securities depository. The failure of the prime broker to secure custody of the EQT SGH Absolute Return Trust's assets may result in adverse consequences for the assets held by the EQT SGH Absolute Return Trust and may in turn have an adverse effect on the Net Asset Value per unit.

Certain cash which the prime broker holds in respect of the EQT SGH Absolute Return Trust is not segregated from the prime broker's own cash or the cash of any other customer of the prime broker and is used by the prime broker in the course of its business. In addition, the prime broker may appropriate for its own account and deal with certain securities which it holds in respect of the EQT SGH Absolute Return Trust and these securities become the property of the prime broker. As a result, such assets are not held on trust for the EQT SGH Absolute Return Trust and the EQT SGH Absolute Return Trust will therefore rank as one of the prime broker's general creditors if the prime broker were to become insolvent.

#### **Use of a Single Prime Broker**

*(EQT SGH Absolute Return Trust only)*

Where the EQT SGH Absolute Return Trust uses only a single prime broker, this would concentrate credit risk. Were the single prime broker to have financial difficulties; even where the EQT SGH Absolute Return Trust is able to recover all of its capital, its trading could be materially disrupted in the interim, potentially resulting in material losses.

### 4. Consents – Page 26

The following is inserted at the end of the section entitled 'Consents' at page 26:

Deutsche Bank AG ('DB') has given and has not withdrawn before the date of the SPDS dated 11 May 2010, their written consent:

- to be named in this PDS as prime broker of the Fund; and
- to the inclusion of the statements made about them in the form and context in which they appear.

Other than in respect of those statements in relation to which DB has provided its written consent to EQT for inclusion in this PDS, DB has not been involved in the preparation or distribution of the PDS or caused or authorised its issue and DB and its directors or employees, do not accept any responsibility for any information contained in this PDS. DB will not participate in the investment decision-making process of the EQT SGH Absolute Return Trust.

#### **Notice**

If you need more information, please contact the Investment Manager. For written correspondence please contact the Investment Manager at [shiscock@sghiscock.com.au](mailto:shiscock@sghiscock.com.au) or EQT on [funds@eqt.com.au](mailto:funds@eqt.com.au). You can also visit the Investment Manager's internet site, located at [www.sghiscock.com.au](http://www.sghiscock.com.au) or [www.eqt.com.au](http://www.eqt.com.au).



SG Hiscock & Company

Date Issued: 21 April 2006

includes new application form with updated AML requirements

## EQT FUNDS MANAGEMENT – Product Disclosure Statement

### EQT SGH Absolute Return Trust

ARSN 105 436 753 APIR ETL0006AU

### EQT Small Companies Fund

ARSN 095 852 341 APIR ETL0109AU

This Product Disclosure Statement (PDS) was issued on 21 April 2006. This PDS is for EQT SGH Absolute Return Trust ARSN 105 436 753 (registered with ASIC as the SGH Professional Investor Absolute Return Trust) and EQT Small Companies Fund ARSN 095 852 341 (collectively, the 'Funds' and individually the 'EQT SGH Absolute Return Trust' and the 'EQT Small Companies Fund').

Units in the EQT SGH Absolute Return Trust offered under this PDS are class B units ('retail' class units).

The PDS has been prepared and issued by Equity Trustees Limited (ABN 46 004 031 298, Australian Financial Services Licence (AFSL) No. 240975) in its capacity as the Responsible Entity of the Funds (referred throughout this PDS as the 'Responsible Entity', 'EQT', 'us' or 'we'). The Investment Manager of the Funds is SG Hiscock & Company Limited (ABN 51 097 263 628 AFSL No. 240679) and is referred to throughout this PDS as the 'Investment Manager' or 'SGH'.

This PDS is prepared for your general information only. It is not intended to be a recommendation by the Responsible Entity, any associate, employee, agent or officer of the Responsible Entity or any other person to invest in the Funds. This PDS does not take into account the investment objectives, financial situation or needs of any particular investor. You should not base your decision to invest in the Funds solely on the information in this PDS. You should consider the Funds' suitability in view of your financial position and investment objectives and needs and you may want to seek advice before making an investment decision.

The Responsible Entity, the Investment Manager and their respective employees, agents or officers do not guarantee the success, repayment of capital or any rate of return on income or capital or investment performance of the Funds. Past performance is no indication of future performance.

Units in the Funds are offered and issued by the Responsible Entity on the terms and conditions described in this PDS. You should read this PDS because you will become bound by it if you become a unitholder of the Funds.

The offer made in this PDS is available only to persons receiving this PDS in Australia (electronically or otherwise).

If you received this PDS electronically we will provide a paper copy free upon request during the life of this PDS. Please call EQT Client Services on 1300 555 378 for a copy.

Certain information in this PDS is subject to change. We will notify you of any changes that have a materially adverse impact on you or other significant events that affect the information in this PDS. Any updated information which is not materially adverse may be obtained:

- from your financial adviser;
- by calling EQT Client Services on 1300 555 378; or
- by visiting our website at [www.eqt.com.au](http://www.eqt.com.au)

A paper copy of the updated information will be provided free of charge on request.

Unless otherwise stated, all fees quoted in the PDS are inclusive of GST, after allowing for an estimate for Reduced Input Tax Credits (RITC), and all amounts are in Australian dollars.

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## Glossary of Important Terms

**ASIC** – Australian Securities and Investments Commission.

**Asset Class** – A category of financial assets. The major asset classes are shares, property, fixed interest securities and cash.

**Benchmark** – A market measurement, such as an index, which is used by fund managers and investors as a guide to assess the risk and performance of a given investment or portfolio.

**Business Day** – Any day other than a Saturday or a Sunday on which banks are open for general banking business in Melbourne.

**Buy/Sell Spread** – The difference between the entry and exit prices of units in a Fund, which reflects the estimated transaction costs associated with buying and selling the assets of that Fund, when investors invest in or withdraw from that Fund.

**Constitution** – The constitution of a managed investment scheme describes the rights, responsibilities and beneficial interests of both investors and the Responsible Entity in relation to the scheme.

**Commission** – A fee charged by a broker or financial adviser for the execution of a purchase or sale of an interest in a fund or of a security. Commission may also be referred to as 'brokerage'.

**Corporations Act** – Corporations Act 2001 (C'Wlth).

**Fundamental Analysis** – Analysis of share values based on factors such as sales, earnings and assets that are 'fundamental' to the enterprise of the company in question. These factors are considered in light of current share prices to ascertain any mispricing of the shares.

**GST** – Goods and Services tax.

**Indirect Cost Ratio (ICR)** – for a Fund, is the ratio of the Fund's management costs (calculated in accordance with the Corporations Regulations) that are not deducted directly from a member's account to the Fund's total average net assets.

**Net Asset Value (NAV)** – Of a Fund, equals the value of the assets of the Fund less the liabilities of the Fund.

**Net Fee** – Net fees are inclusive of GST payable in respect of the fee, after taking into account the expected RITCs.

**Net Return** – The total return of a Fund or investment after deductions such as fees and expenses.

**Portfolio** – A collection of investment holdings.

**Responsible Entity Fee** – Fee payable to EQT for management services provided to the Fund, excluding expenses and external services.

**Reduced Input Tax Credits (RITC)** – EQT will apply for reduced input tax credits, where applicable, to reduce the cost of GST to the Funds.

**Sentiment Analysis** – Analysis of the market sentiment towards a security, index or market. This mainly relates to analysing share price trends and other price trends, including those relating to stock markets, commodities, interest rates and foreign exchange.

**Short Selling** – Short selling is achieved by borrowing an asset and then immediately selling it in the expectation that the value of the asset will depreciate. The short sale is covered by buying back the asset at a later time, hopefully at a lower price, thereby locking in a profit. The borrowed asset is then returned.

**Stock Selection** – The selection of particular securities to comprise a particular portfolio or part of a portfolio.

**Style Neutral** – a portfolio that exhibits no bias towards any particular investment style.

**Volatility** – The extent of movement (both up and down) in share prices, exchange rates, interest rates, etc. The greater the volatility, the higher the risk associated with an investment.

## Funds at a Glance

| Name of Fund   | EQT SGH Absolute Return Trust   | EQT Small Companies Fund   |
|--|---|--|
| APIR   | ETL0006AU   | ETL0109AU  |
| ARSN   | 105 436 753   | 095 852 341  |
| Name of Fund as Registered with ASIC                               | SGH Professional Investor Absolute Return Trust   | EQT Small Companies Fund   |
| Inception date   | 12 October 2001   | 22 June 2001   |
| Investment Objective   | This Fund is designed to provide strong medium to long term capital growth potential and seeks to partially protect the portfolio against significant negative moves in the markets or stocks using a combination of futures, options and cash and to take advantage of mis-pricing opportunities by Short Selling shares | This Fund is designed to provide strong medium to long term capital growth potential and seeks to outperform the S&P/ASX Small Ordinaries Accumulation Index by greater than 4-5% per annum over rolling three to five year periods, before taking into account Fund fees and expenses |
| Investments  | This Fund invests in a portfolio of listed companies on the Australian and New Zealand Stock Exchanges, cash, derivatives, unit trusts and Initial Public Offerings   | This Fund invests in a diversified portfolio of stocks comprising listed companies that are outside the S&P/ASX 100 Index  |
| Benchmark  | Composite index of 75% S&P/ASX300 Accumulation Index, and 25% Cash (as measured by the UBS Bank Bill Index Maturity)  | S&P/ASX Small Ordinaries Accumulation Index  |
| Risk profile   | High  | High   |
| Minimum initial investment   | \$5,000   | \$5,000  |
| Minimum additional investment                                      | \$1,000   | \$1,000  |
| Minimum balance  | \$4,000   | \$4,000  |
| Minimum withdrawal   | \$1,000   | \$1,000  |
| Minimum contribution under the Accumulator Savings Plan (Optional) | \$100 per month   | \$100 per month  |
| Access to Funds <sup>1</sup>                                       | Usually within 7 days   | Usually within 7 days  |
| Income Distribution  | Half-yearly   | Half-yearly  |
| Valuation  | Daily   | Daily  |
| Unit Price   | Variable – generally determined each business day based on the net asset value of the Fund  | Variable – generally determined each business day based on the net asset value of the Fund   |
| Management Costs <sup>2</sup>                                      | 2.050%  | 2.153%   |
| Buy Sell spread  | Buy +0.35% / Sell -0.35%  | Buy +0.35% / Sell -0.35%   |
| Recommended investment timeframe                                   | 5 years   | 5 Years  |
| Investment Manager <sup>3</sup>                                    | SG Hiscock & Company Limited  | SG Hiscock & Company Limited   |

<sup>1</sup>Refer to 'Access to your money' for further details.

<sup>2</sup>The fees and estimated expense recoveries are expressed as a percentage of the net asset value of the Fund. This includes GST and an estimate for RITC. Refer to 'Fees and other costs' for further details.

<sup>3</sup>EQT may change the Investment Manager for the Fund at any time, without prior notice to investors.

## About the Responsible Entity

### **Equity Trustees Limited**

Equity Trustees Limited was established in 1888 by its own special Act of Parliament to provide secure trustee services to the people of Victoria. Over the last 118 years, EQT has expanded its services to meet the wealth management requirements of its clients. EQT has been investing on behalf of its clients since 1888.

As a trustee company EQT prides itself on offering truly personalised service to its clients and is committed to acting in the best interests of its clients via offering wealth management solutions over a range of Asset Classes carrying different risk profiles.

EQT's traditional values of integrity, responsibility and service are central to how EQT manages the investments and financial affairs of its clients.

EQT's responsibilities and obligations, as the Responsible Entity of the Funds are governed by the Constitution of the Funds as well as the Corporations Act and general trust law. For further information the section 'Constitution of EQT SGH Absolute Return Trust and EQT Small Companies Fund'.

## About the Investment Manager

### **SG Hiscock & Company Limited**

SG Hiscock & Company Limited (ABN 51 097 263 628) is a boutique Investment Manager specialising in listed property securities and Australian equities. SGH was established in mid 2001 by six principals, all of whom were working together previously at National Asset Management Limited, an investment management subsidiary of the National Australia Bank Limited.

SGH, at the preparation date of this PDS, manages approximately \$2 billion in funds for clients in five categories: Smaller Companies, Listed Property Securities, Global Listed Property Securities, Australian Equities and Absolute Return strategies.

## About EQT SGH Absolute Return Trust

This PDS offers investors Class B (retail) units in the EQT SGH Absolute Return Trust. EQT SGH Absolute Return Trust is registered with the Australian Securities and Investments Commission (ASIC) as the SGH Professional Investor Absolute Return Trust. The ARSN of this fund is 105 436 753 and the inception date was 12 October 2001.

### **Investment objective**

EQT SGH Absolute Return Trust is designed for investors seeking strong medium to long term capital growth potential, who wish to partially protect the portfolio against significant negative moves in markets or stocks using a combination of futures, options and cash, and who wish to take advantage of mis-pricing opportunities by Short Selling shares. The Fund aims to outperform its benchmark which is a composite of 75% S&P/ASX300 Accumulation Index and 25% Cash (UBS Bank Bill Index) over rolling 3–5 year periods, before taking into account Fund fees and expenses.

### **Minimum suggested investment timeframe**

The minimum suggested investment timeframe for this Fund is 3–5 years. The minimum suggested timeframe is a general guide only and does not take into account your individual circumstances. We advise investors to seek financial advice to determine, in their particular circumstances, the appropriate investment period for the Funds. Please see 'Managing risk' for more information as to the risks applicable to this Fund.

## Investment strategy

EQT SGH Absolute Return Trust invests directly and indirectly (via SGH Professional Investor Australian Equities Trust and SGH Professional Investor Smaller Companies Trust) in a diversified portfolio of ASX and NZSE listed companies, cash and derivatives. SGH's investment philosophy is based on the belief that the equity market is inefficient and that a disciplined investment process which combines valuation with fundamental and sentiment analysis will exploit these inefficiencies. The investment approach is essentially style neutral and is based on a proprietary three stage ValueActive™ investment process which:

- seeks to identify and exploit inefficiencies in market pricing;
- uses Fundamental Analysis and Sentiment Analysis to seek to more accurately time investment decisions; and
- uses Fundamental Analysis and Sentiment Analysis to purchase companies at what the Investment Manager considers reasonable prices.

In selecting, retaining or realising investments, neither EQT nor SGH take into account labour standards or environmental, social or ethical considerations. Investment decisions will be made on the basis set out above.

## Fund performance to 28 February 2006

Past Performance is not indicative of future performance. For the most recent information on the performance of the Fund and more detailed information on the historical performance of the Fund, please visit our website at [www.eqt.com.au](http://www.eqt.com.au). The Responsible Entity and Investment Manager do not guarantee the capital, any rate of return on income or capital or the investment performance of the Fund.

|   | 1 Month | 3 Months | 1 Year | 2 Years <sup>4</sup> | 3 Years <sup>4</sup> | Inception <sup>4</sup> |
|---|---------|----------|--------|----------------------|----------------------|------------------------|
| Distribution Return <sup>1</sup>        | 0.00%   | 0.25%    | 10.73% | 6.95%                | 6.11%                | 5.78%                  |
| Growth Return <sup>2</sup>              | -0.76%  | 6.40%    | 9.21%  | 13.94%               | 19.28%               | 14.06%                 |
| Total Return <sup>3</sup>               | -0.76%  | 6.65%    | 19.94% | 20.89%               | 25.39%               | 19.84%                 |
| Benchmark <sup>5</sup> Return           | 0.54%   | 5.87%    | 18.64% | 20.89%               | 20.69%               | 12.43%                 |
| Total Return vs. Benchmark <sup>5</sup> | -1.30%  | 0.78%    | 1.30%  | 0.00%                | 4.70%                | 7.41%                  |

## Top 10 equity holdings<sup>6</sup>:

|                     |                    |
|---------------------|--------------------|
| BHP Billiton        | Rio Tinto          |
| ANZ Banking         | Woodside Petroleum |
| Westpac Banking     | AMP                |
| QBE Insurance Group | Macquarie Bank     |
| Woolworths          | CSL                |

Top 10 equity holdings represent 46.55% of the total assets of the Fund.

## Asset allocation<sup>6</sup>:

| Investment Type                               | % Portfolio    |
|---|----------------|
| S&P/ASX100                                    | 81.58%         |
| Ex-S&P/ASX100                                 | 17.12%         |
| Short equity positions                        | -              |
| Net derivatives exposure                      | 0.30%          |
| <b>Total Equities Exposure (Net)</b>          | <b>99.00%</b>  |
| Cash (adjusting for Net derivatives exposure) | 1.00%          |
| <b>Total Portfolio</b>                        | <b>100.00%</b> |

## Funds under management:

As at 28 February 2006, the funds under management for the Fund was \$25,208,072.

<sup>1</sup>Distribution Return is the return due to distributions paid by the Fund.

<sup>2</sup>Growth Return is the return due to changes in initial capital value of the Fund.

<sup>3</sup>Total Return is the Fund return after the deduction of ongoing fees and expenses but before taxes. This assumes the reinvestment of all distributions.

<sup>4</sup>Annualised returns for the period ended 28 February 2006.

<sup>5</sup>Benchmark = Composite index based on 75% S&P/ASX 300 Accumulation Index, and 25% UBS Bank Bill Index.

<sup>6</sup>As at 28 February 2006. Asset allocations may change over time.

## About EQT Small Companies Fund

EQT Small Companies Fund is registered with the Australian Securities and Investments Commission (ASIC) as the EQT Small Companies Fund. The ARSN of this fund is 095 852 341 and the inception date was 22 June 2001.

### Investment objective

The Fund is designed for investors seeking strong medium to long term capital growth potential through an investment in listed stocks that are outside the top 100 companies listed on the Australian Stock Exchange. By investing in a diversified portfolio of stocks comprising listed companies that are outside the S&P/ASX 100 Index, the Fund aims to outperform the S&P/ASX Small Ordinaries Accumulation Index (Index) by greater than 4-5% per annum over rolling three to five year periods, before taking into account Fund fees and expenses.

### Minimum suggested investment timeframe

The minimum suggested investment timeframe for this Fund is 3–5 years. The minimum suggested investment timeframe is a general guide only and does not take into account your individual circumstances. We advise investors to seek financial planning advice to determine, in their particular circumstances, the appropriate investment period for the Fund.

### Fund performance as at 28 February 2006

Past Performance is not indicative of future performance. For the most recent information on the performance of the Fund and more detailed information on the historical performance of the Fund, please visit our website at [www.eqt.com.au](http://www.eqt.com.au). The Responsible Entity and Investment Manager do not guarantee the capital, any rate of return on income or capital or the investment performance of the Fund.

|   | 1 Month | 3 Months | 1 Year  | 2 Year <sup>4</sup> | 3 Years <sup>4</sup> | Inception <sup>4</sup> |
|---|---------|----------|---------|---------------------|----------------------|------------------------|
| Distribution Return <sup>1</sup>        | 0.00%   | 0.00%    | 35.35%  | 32.21%              | 26.35%               | 20.03%                 |
| Growth Return <sup>2</sup>              | 0.42%   | 6.15%    | -35.80% | -22.71%             | -0.79%               | 6.75%                  |
| Total Return <sup>3</sup>               | 0.42%   | 6.15%    | -0.45%  | 9.50%               | 25.56%               | 26.78%                 |
| Benchmark <sup>5</sup> Return           | 2.13%   | 7.51%    | 22.48%  | 25.49%              | 29.77%               | 16.00%                 |
| Total Return vs. Benchmark <sup>5</sup> | -1.71%  | -1.36%   | -22.93% | -15.99%             | -4.21%               | 10.78%                 |

<sup>1</sup>Distribution Return is the return due to distributions paid by the Fund.

<sup>2</sup>Growth Return is the return due to changes in initial capital value of the Fund.

<sup>3</sup>Total Return is the Fund return after the deduction of ongoing fees and expenses but before taxes. This assumes the reinvestment of all distributions.

<sup>4</sup>Annualised Returns for the period ended 28 February 2006.

<sup>5</sup>Benchmark = S&P/ASX Small Ordinaries Accumulation Index.

### Investment strategy

The Fund invests in a diversified portfolio of stocks comprising listed companies that are outside the ASX Top 100. The Investment Manager's investment philosophy is based on the belief that the equity market is inefficient when pricing small companies and that a disciplined investment process which combines valuation with Fundamental Analysis and Sentiment Analysis will exploit these inefficiencies. This size effect occurs as a result of limited research, lower liquidity, limited history and increased volatility. The investment approach is essentially Style Neutral and is based on a proprietary three stage ValueActive™ investment process which:

- seeks to identify and exploit inefficiencies in market pricing;
- uses Fundamental Analysis and Sentiment Analysis to seek to more accurately time investment decisions; and
- uses Fundamental Analysis and Sentiment Analysis to purchase companies at what the Investment Manager considers reasonable prices.

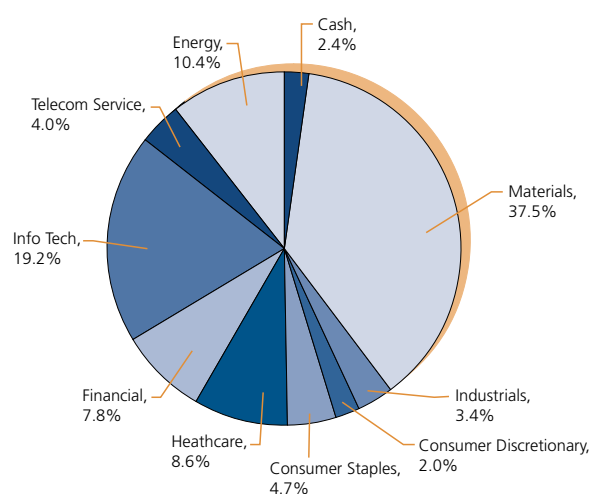
In selecting, retaining or realising investments, we do not take into account labour standards or environmental, social or ethical considerations. Investment decisions will be made on the basis set out above.

### Top 10 holdings<sup>1</sup>:

|                   |                               |
|-------------------|-------------------------------|
| Sino Gold         | Energy Resources of Australia |
| IWL               | linet                         |
| Resolute Mining   | Pan Australian Resources      |
| Pharmaxis         | Tassal Group                  |
| Straits Resources | Oamps                         |

Top 10 holdings represent 45.35% of the total assets of the Fund.

### Asset allocation<sup>1</sup>:



<sup>1</sup>As at 28 February 2006. Asset allocations may change over time.

### Funds under management:

As at 28 February 2006, the funds under management for the Fund was \$23,342,966.

## Managing Risk

Investment in a fund carries risks, including volatility of returns. Volatility refers to the degree to which returns may fluctuate around their long-term average. Each Asset Class, whether it is cash, fixed interest, property, Australian or international shares, has associated investment risks and the return achieved by each will vary accordingly. The Responsible Entity and the Investment Manager do not guarantee the capital, any rate of return on income or capital or investment performance of the Funds. Investment in any fund is subject to risks, including possible delays in the payment of withdrawal proceeds, and loss of income and capital. The main risk factors which may affect the returns of each of the Funds include:

#### Interest rate risk

Changes in official interest rates can directly and indirectly impact (negatively or positively) on investment returns. Generally, an increase in interest rates has a contractionary effect on the state of the economy and thus the valuation of stocks. For instance, rising rates can have a negative impact on a fund's or company's value as increased borrowing costs may cause earnings to decline. As a result, the fund's unit value or company's share price may fall.

#### Market risk

Changes in legal and economic policy, political events, technology failure, economic cycles, investor sentiment and social climate can all directly or indirectly create an environment that may influence (negatively or positively) the value of your investments in the Funds. In addition, a downward move in the general level of the equity market can have a negative influence on the performance of the Funds.

#### Company/managed investment scheme specific risk

There may be instances where a company or managed investment scheme will fall in value because of company or scheme specific factors (for example, where a company's major product is subject to a product recall). The value of a company's securities can also vary because of changes to management, product, distribution or the company's business environment.

## Managing Risk (cont.)

### Fund risk

As with all managed funds, there are risks particular to the Funds, including the possibility it could terminate or that the fees and expenses could change, EQT is replaced as Responsible Entity or SGH is replaced as Investment Manager. There is also a risk that investing in the Funds may give different results than investing directly in the securities. This might occur because of income or capital gains accrued in the Fund and the consequence of redemptions by other investors. We aim to keep fund risk to a minimum by monitoring the Funds and acting in your best interests.

### Stock selection risk

The Investment Manager may make poor investment decisions resulting in sub-standard returns (for example where the Investment Manager invests in a company that significantly underperforms the share market). This risk is mitigated to some extent by the knowledge and experience of the Investment Manager.

### Liquidity risk

There may be times when securities may be not be readily sold (for example, in a falling market where some traded securities may become less liquid). However, trading volumes of securities are generally sufficient to satisfy liquidity requirements when necessary. The Investment Manager attempts to mitigate the liquidity risk factor by ensuring a Fund has sufficient cash exposure to meet liquidity requirements. Note that neither the Responsible Entity nor the Investment Manager guarantees the liquidity of the Funds' investments.

### Derivatives risk

In the case of derivatives, fluctuations in price will reflect movements in the underlying assets, reference rate or index to which the derivatives relate. The use of derivative positions to hedge the risk of physical securities will involve "basis risk", which refers to the possibility that derivative positions may not move perfectly in line with the physical security. As a consequence, the derivative positions cannot be expected to perfectly hedge the risk of the physical security. Other risks associated with derivatives include that they can lose value because of a sudden price move or because of the passage of time, potential illiquidity of the derivative, that the Fund cannot meet payment obligations as they arise and that the counterparty to any derivative contract does not meet its obligations under the contract.

### Short Selling risk

#### (EQT SGH Absolute Return Trust only)

The Investment Manager may engage in short sales (broadly, this involves selling a security that is not yet owned – typically by 'borrowing' the security – in the expectation that its price will fall so that it can be bought back later at a profit). Selling securities short runs the risk of losing an amount greater than the amount invested. Short Selling is subject to a theoretically unlimited risk of loss because there is no limit on how much the price of a security may appreciate before the short position is closed out. A short sale may result in a sudden and substantial loss if, for example, an offer is made for a security at a substantial premium over market price. In addition, the supply of securities which can be borrowed fluctuates from time to time. The Fund may be subject to losses if a security lender demands return of the borrowed security and an alternative lending source cannot be found or if the Investment Manager is otherwise unable to borrow securities, which are necessary to hedge their positions.

## Frequently Asked Questions (FAQs)

These FAQs are designed to provide a broad overview of the relevant issues and, where applicable, investors should refer to the more detailed explanations elsewhere in this PDS.

### Risks of Investing

#### 1. Is my money safe?

All investments, particularly investments in equities investments and derivatives, have a degree of risk, depending on market factors and economic fluctuations relevant to capital growth or income. See 'Managing risk' for the major risks associated with the Funds.

#### 2. Are my investments guaranteed?

Neither EQT nor the Investment Manager guarantee the success, repayment of capital or any rate of return on income or capital or investment performance of the Funds.

### Financial Planning

#### 1. Is this the right investment for me?

Investment decisions should be discussed with a licensed financial planner/adviser.

#### 2. Do I need to invest through my financial planner/adviser?

No, you can complete the application form at the back of this PDS and return the completed form directly to EQT.

#### 3. Does EQT pay a commission to my financial planner/adviser?

EQT may pay a commission to a financial planner or adviser out of its Responsible Entity Fee (see 'Adviser remuneration' for further details).

### Fees & Costs

#### 1. What are the fees?

The management costs (inclusive of GST and an estimate for RITCs) for each fund are listed in the table in the 'Fees and other costs' section. The management costs are accrued daily and are deducted from the assets of the Funds. These costs include the Responsible Entity Fee as well as outgoings related to the Fund such as audit fees, legal fees, custody, administration, brokerage and Government charges, but excludes other expenses such as transaction costs. For further information in relation to fees, see 'Fees and other costs'.

#### 2. Are there entry or exit fees?

No, there are no entry or exit fees applicable to an investment or withdrawal from these Funds for the currency of this PDS. A buy/sell spread does however apply to the Funds.

#### 3. What is the buy/sell spread?

A buy/sell spread reflect the transaction costs of a Fund for buying and selling assets. The buy/sell spread of a Fund is not a fee payable to EQT but accrues to the Fund itself.

### Applications & Investments

#### 1. How do I invest?

You can make investments in the Funds by completing the application form at the back of this PDS and attaching a cheque payable to "Equity Trustees Limited"

#### 2. Where do I send my application forms?

Application forms should be sent directly to:

**Equity Trustees Limited**  
**Client Services Registry Team**  
**GPO Box 2307**  
**Melbourne Vic 3001**

#### 3. Is there a minimum investment amount?

The minimum initial investment is \$5,000 and the minimum additional investment is \$1,000.

#### 4. How can I add to my investment?

You can make additional investments in a Fund of \$1,000 or more at any time by completing an application form taken from a current PDS for that Fund.

## Frequently Asked Questions (cont.)

### 5. What progress reports will I receive?

All investors will receive an annual report from the relevant Fund, a half-yearly distribution report, an annual transaction statement and transaction reports confirming all investment and withdrawal transactions.

### 6. What do the annual taxation statements cover?

Annual taxation statements provide investors with relevant taxation information including a detailed summary of the components of any distributions.

### 7. Who can invest in the Funds?

Unitholders can be individuals or joint unitholders, clubs & associations, partnerships or companies or the trustee(s) of a DIY Superannuation Fund.

To invest, please complete the appropriate application form at the back of this PDS and attach your cheque or money order made payable to "Equity Trustees Limited".

## Payments and Withdrawals

### 1. How do I withdraw my investments?

You may access your investment in the Funds by sending a letter by post or fax to EQT specifying your requirements. Please refer to the 'Terms and conditions for withdrawals' for more information.

### 2. How quickly can I get my money back?

All funds can normally be accessed within seven days in the normal course of business. The Responsible Entity may exercise discretion in reducing or, in some instances, increasing the withdrawal periods. See 'Access to your money' for more information.

Note: All withdrawal requests should be received by 2.00pm Melbourne time on a Business Day for processing that day.

## Distributions

### 1. What are income distributions?

An income distribution comprises your share of any "net income" earned by the relevant Fund in a distribution period.

### 2. How often is money paid to me?

Income distributions are half-yearly.

### 3. What can I do with my income?

You can have your income reinvested or directly credited to your nominated bank account.

## GST & Other Taxes

### 1. Do I have to pay tax on my investment?

As a general rule, most investment returns are taxable as either income or capital gains. A consolidated annual tax statement will give the appropriate details for your tax return.

### 2. Does GST apply?

Yes, the fees listed in this PDS are net – that is, inclusive of GST less RITC. EQT will apply for RITCs where applicable to reduce the cost of GST to the Funds.

### 3. Do I have to be a citizen/resident to invest in the Funds?

No, however, the offer made in this PDS is available only to persons receiving it in Australia. With respect to non-residents, EQT may withhold from distributions to non-residents, including those paid on redemptions, an amount on account of Australian tax. Non-resident investors should obtain professional tax advice prior to investing in the Funds.

## Service Queries / Problems

### 1. If I have a problem, who will look after me?

Please contact:

#### Customer Service

Equity Trustees Limited

GPO Box 2307

Melbourne Vic 3001

Telephone: 1300 555 378

Fax: (03) 8623 5395

Email: [equity@eqt.com.au](mailto:equity@eqt.com.au)

Website: [www.eqt.com.au](http://www.eqt.com.au)

### 2. If I have a complaint, who will look after me?

Please contact:

#### The Compliance Department

Equity Trustees Limited

GPO Box 2307

Melbourne Vic 3001

Telephone: (03) 8623 5000

Email: [compliance@eqt.com.au](mailto:compliance@eqt.com.au)

# Investing and Withdrawing

## Reporting to Investors

Regular, simple to read and complete reports are provided to investors of the Funds. They comprise in relation to the relevant Fund:

- **Annual Report** including financial statements and Auditor's report (you may elect not to receive this report by indicating on the application form)
- **Transaction Reports** confirming all additional investments, withdrawals, payments (available periodically and on request)
- **Distribution Reports** issued half-yearly notifying you of the value of your investment, income from your investments and confirming your requirements for reinvestment or payment to your nominated bank account
- **Taxation Statements** are issued annually and provide investors with taxation information including a detailed summary of the components of any distributions.

As disclosing entities, the Funds are subject to regular reporting and disclosure obligations. Copies of any documents lodged with ASIC in relation to the Funds may be obtained from or can be inspected at, an ASIC office. Unitholders have a right to obtain a copy, free of charge, in respect of each Fund, of:

- the most recent annual financial report;
- any half yearly financial report lodged with ASIC after that financial report but before the date of this PDS; and
- any continuous disclosure notices lodged with ASIC after that financial report but before the date of this PDS.

You can contact EQT Client Services on 1300 555 378 or visit our website at [www.eqt.com.au](http://www.eqt.com.au) for updated information on performance, unit prices, Fund size and other general information about the Funds.

## Income Distributions

An income distribution comprises your share (based on the number of units held at the end of the distribution period) of any net income (including taxable capital gains) earned by the Funds. A unitholder's share of any net income is generally based on the number of units

held by the unitholder at the end of the distribution period. However, in some circumstances, a unitholder may receive an income distribution where they have made a large withdrawal from a Fund. In these circumstances their withdrawal proceeds are taken to include a component of distributable income.

Generally, the income entitlements of unitholders are determined half yearly (June and December) and distributions are normally paid by the 15th of the following month although the distribution at the end of the financial year may take longer. Although EQT proposes to calculate and pay income distributions half yearly, the Constitution of EQT SGH Absolute Return Trust allows for a distribution period of up to 12 months.

You can have your income distribution reinvested or directly credited to your nominated bank account. If you do not make a direction, your income distribution will be reinvested.

## Valuation of Funds and Application Price of Units

The value of the investments of the Funds are generally determined every Business Day in accordance with the relevant Fund's Constitution. The value of a unit in a Fund is determined on the basis of the value of the investments of that Fund (after taking into account any liabilities), in accordance with the Fund's Constitution. The application price of a unit in a Fund is the value of a unit plus an allowance for transaction costs required for buying investments.

## Making an Application

To invest, please complete the application form for the relevant Fund accompanying this PDS and attach your cheque or money order made payable to "Equity Trustees Limited" and send it to:

**Equity Trustees Limited**  
**Client Services Registry Team**  
**GPO Box 2307**  
**Melbourne VIC 3001.**

Please note that cash cannot be accepted.

The minimum initial investment for each Fund is \$5,000. Applications can be made between 9:00am and 5:00pm Melbourne time on any Business Day.

## Investing and Withdrawing (cont.)

However, for unit pricing purposes and income entitlement purposes any application received after 2:00pm Melbourne time on a Business day will generally be treated as having been received the following Business Day.

EQT reserves the right to refuse any application without giving a reason. If for any reason EQT refuses or is unable to process your application to invest in a Fund, EQT will return your application money to you. You will not be entitled to any interest on your application money in this circumstance.

### Additional investments

You can make additional investments of \$1,000 or more in the Funds at any time by sending us your additional investment amount together with your investor details (see details above). All applications for additional investments, unless otherwise agreed, should be made on an application form which accompanied a current PDS to ensure that a record of the investment exists.

### Accumulator Plan

An Accumulator Plan is available. It offers the benefit of making regular monthly investments from a nominated account. The minimum monthly investment through the Accumulator Plan is \$100 per month. You will need to complete an Accumulator Plan Direct Debit Request form, which includes a direct debit authority. This form must generally be received by EQT by the 1st of the month to enable funds to be drawn commencing on the 20th of that month.

By making regular monthly investments into the Fund of your choice, you may benefit from a concept known as 'dollar-cost averaging'. This involves purchasing more units when the price is low and less units when the price is high so that your entry price is averaged over all economic cycles.

For terms and conditions governing the Plan, please see 'Accumulator Plan – Regular Payment Plan Terms and Conditions'.

### Access to your money

The Responsible Entity will generally allow investors in the Funds to access their funds within seven days of

receipt of a withdrawal request for the relevant amount. However, the Constitution of the EQT SGH Absolute Return Trust allows the Responsible Entity to make payment up to 30 days after receipt of a redemption request (which may be extended by a further 30 days or more in certain circumstances outside the Responsible Entity's control) and the Constitution of the EQT Small Companies Fund allows the Responsible Entity to make payments up to six months after receipt of a redemption request (which may be extended by a further six months in certain circumstances outside the Responsible Entity's control.) The Responsible Entity reserves the right to increase or reduce the redemption periods for the Funds subject to the above extensions of time.

Where a Fund is not liquid (as defined in the Corporations Act) an investor does not have a right to withdraw from that Fund and can only withdraw where the Responsible Entity makes a withdrawal offer to investors in accordance with the Corporations Act. The Responsible Entity is not obliged to make such offers.

A Fund will be liquid if at least 80% of the assets of that Fund are liquid assets. Broadly, liquid assets are money in an account or on deposit with a financial institution, bank accepted bills, marketable securities, other prescribed property and other assets that the Responsible Entity reasonably expects can be realised for their market value within the period specified in the Constitution for satisfying withdrawal requests while the Fund is liquid.

### Withdrawal price

The withdrawal price of a unit in a Fund is the value of a unit less an allowance for transaction costs required for selling investments. Refer to section 'Valuation of Fund and application price of units'. In some circumstances, where a unitholder makes a large withdrawal request (5% or more of the units on issue at the start of the relevant distribution period), their withdrawal proceeds may be taken to include a component of distributable income. Refer to 'Income distributions'.

Please note that EQT has the right to fully redeem your investment in a Fund if a withdrawal request would result in your holding falling below \$4,000.

## **Making Withdrawals**

Investors in a Fund can withdraw their investment (minimum of \$1,000 per transaction) by written advice to:

**Equity Trustees Limited  
Client Services Registry Team  
GPO Box 2307  
Melbourne Vic 3001**

**or by fax to (03) 8623 5395.**

Refer below for terms and conditions for making facsimile withdrawals. All withdrawal requests should be received by 2:00pm Melbourne time on a Business Day for processing that day. Any withdrawal request received after that time will generally be treated as being received the following Business Day.

Withdrawals will be paid directly to the unitholder's nominated bank account, unless you request payment by cheque.

You should take care to ensure your investment details are kept secure and confidential to minimise the risk of unauthorised transactions in relation to your investment in the Funds.

## **Terms and conditions for Withdrawals**

EQT will refuse to comply with any request if the sender does not satisfactorily identify themselves as the investor. EQT cheques will only be made payable to the investor or authorised nominee. By lodging a facsimile withdrawal you release, discharge and agree to indemnify EQT from and against any and all losses, liabilities, actions, proceedings, account claims and demands arising from any facsimile withdrawal.

You also agree that any payment made in accordance with the facsimile instructions shall be a complete satisfaction of the obligations of EQT, notwithstanding any fact or circumstance including that the payment was made without your knowledge or authority. You agree that if the payment is made in accordance with facsimile instructions, you and any person claiming through or under you shall have no claim against EQT in relation to the payment.

## **Joint Account Operation**

For joint accounts, each signatory must sign withdrawal requests. Please ensure both signatories sign the declaration in the application form. Joint accounts will be held as joint tenants unless we are advised to the contrary in writing.

## **Appointment of Authorised Nominee to Operate Account**

Investors may elect to appoint an authorised nominee to operate their account. The relevant sections on the application form need to be completed, including the name and signature of the authorised nominee, the signature of the investor and the date. Only investors can appoint authorised nominees. If you appoint an authorised nominee we suggest that you ensure that:

- they cannot appoint another nominee
- the appointment lasts until cancelled by you in writing or the Responsible Entity.

The Responsible Entity may cancel an appointment by giving the investor 14 days notice in writing. If an appointment is cancelled the Responsible Entity will not be obliged to act on the instructions of the nominee. If the instructions are varied, the Responsible Entity will act only in accordance with the varied instructions.

By completing and lodging the relevant sections on authorised nominees on the application form you release, discharge and agree to indemnify EQT from and against any and all losses, liabilities, actions, proceedings, account claims and demands arising from EQT acting on the instructions of your authorised nominee.

You also agree that any instructions of your authorised nominee to EQT, which are followed by EQT, shall be a complete satisfaction of the obligations of EQT, notwithstanding any fact or circumstance, including that the instructions were made without your knowledge or authority. You agree that if the authorised nominee's instructions are followed by EQT, you and any person claiming through or under you shall have no claim against EQT in relation to the instructions.

## Investing and Withdrawing (cont.)

### Powers of an Authorised Nominee

An authorised nominee can, but is not limited to:

- apply for additional investment units;
- request that income Distribution instructions be altered;
- withdraw all or part of your investment and direct where and to whom this withdrawal shall be paid; and
- enquire and obtain copies in relation to the status of your investment.

If a company is appointed as an authorised nominee, the powers will extend to any director and authorised officer of the company. If a partnership, the powers will extend to all partners.

### Investor's Liability

The Constitution of each of the Funds provides that unless there is a separate agreement with an investor, no investor can be called on to contribute to the assets of the respective Fund or to its creditors if the Fund is liquidated or becomes insolvent. Therefore it is expected that investors will not be under any obligation if a deficiency in the assets of the Fund was to occur. However, this position has not been fully tested at law and so it is not possible to give an absolute assurance that an investor's liability will be limited in all circumstances.

In general, an investor's liability is limited to the amount (if any) which remains unpaid in relation to their subscription for units in a Fund and any tax owed to the Responsible Entity.

### Non-Listing of Units

The units of the Funds are not listed on any Stock Exchange and no application will be made to list the units of the Funds on any Stock Exchange.

### Termination of Fund

The Responsible Entity may resolve at any time to terminate and liquidate a Fund (if it provides investors with notice) in accordance with the Fund's Constitution and the Corporations Act. Upon termination and after conversion of the Fund's assets into cash and payment of, or provision for, all costs, expenses and liabilities (actual and anticipated), the net proceeds will be distributed pro-rata amongst all investors according to the number of units they hold in the Fund.

### Online Access

You can view information about your investments in the Funds online through EQT Online Access. If you want to view information about your investments online you must read the 'Conditions of Online Access', and then check the box as indicated on the application form, and sign accepting the Conditions of Online Access. Information on who should sign the form is set out in 'Conditions of Online Access'.

After we receive your correctly completed application form we will send you by secure email a Logon Access Code and temporary password for you to log on to access your account details online. Once you have logged on you should change your temporary password.

If you have any questions about EQT Online Access, please call EQT Client Services on 1300 555 378 between 9am and 5pm (Melbourne time) Monday to Friday.

# Compliance

## Unitholder Satisfaction

EQT seeks to resolve potential and actual complaints over the management of the Funds to the satisfaction of investors. If an investor wishes to discuss any aspect of the management of the Funds or wishes to lodge a formal complaint please write to:

### **The Compliance Department**

**Equity Trustees Limited**

**GPO Box 2307**

**Melbourne Vic 3001**

**Telephone: (03) 8623 5000**

**Fax: (03) 8623 5399**

**Email: [compliance@eqt.com.au](mailto:compliance@eqt.com.au)**

EQT will seek to resolve any complaint, and will respond within 14 days of receiving the letter. If EQT is unable to resolve a complaint, investors may seek assistance from FOS:

## **Financial Ombudsman Services (FOS)**

**GPO Box 3**

**Melbourne Vic 3001**

**Telephone 1300 780 808**

**Email [info@fos.org.au](mailto:info@fos.org.au)**

Quote EQT FOS membership number with enquiries: 10395.

FOS is an independent body that can assist investors if EQT cannot. If investing through an IDPS, then enquiries and complaints should be directed to the IDPS operator, not EQT.

## **Constitution of EQT SGH Absolute Return Trust and EQT Small Companies Fund**

EQT's responsibilities and obligations, as the Responsible Entity of the Funds, are governed by the Constitution of each of the Funds, as well as the Corporations Act and general trust law. The Constitution of each of the Funds contains a number of provisions relating to the rights, terms, conditions and obligations imposed on both EQT, as the Responsible Entity of the relevant Fund, and investors. Some of the provisions of the Constitution

of each of the Funds are discussed elsewhere in this PDS. Other provisions relate to an investor's rights under the Constitution of each of the Funds, and include:

- your right to share in a Fund's income, and how we calculate it;
- what you are entitled to receive when you withdraw from a Fund or if a Fund is wound up;
- your right to withdraw from a Fund – subject to the times when we can delay processing withdrawals – such as if a Fund becomes 'illiquid';
- the nature of the units – identical rights attach to all units; and
- your rights to attend and vote at meetings – these provisions are mainly contained in the Corporations Act.

There are also provisions governing our powers and duties, including:

- how we calculate unit prices, the maximum amount of fees we can charge and expenses we can recover;
- when we can amend the Constitution of a Fund – generally we can only amend the Constitution of a Fund where we reasonably believe that the changes will not adversely affect your rights as an investor. Otherwise the Constitution can only be amended if approved at a meeting of investors;
- when we can retire as the Responsible Entity of a Fund – which is as permitted by law;
- when we can be removed as the Responsible Entity of a Fund – which is when required by law; and
- our broad powers to invest, borrow and generally manage the Funds – we do not currently intend to borrow moneys to acquire assets for the Funds, although this is permitted under the Constitution of each of the Funds.

The Constitution of each of the Funds also deal with our liabilities in relation to the Funds and when we can be reimbursed out of the relevant Fund's assets, for example:

- subject to the Corporations Act we are not liable for any loss unless we fail to act in good faith or we act negligently; and
- we can be reimbursed for all expenses we incur in connection with the proper performance of our duties in respect of a Fund.

## Compliance (cont.)

Additionally, the Constitution of the EQT Small Companies Fund provides that EQT can be reimbursed out of the Funds' assets, subject to the Corporations Act, when acting in reliance and good faith on professional advice.

As mentioned above, EQT's responsibilities and obligations as the Responsible Entity of the Funds, are governed by the Constitution for each of the Funds as well as the Corporations Act and general trust law, which generally require that we:

- act in the best interests of investors, and if there is a conflict between investors' interests and our own, give priority to investors;
- ensure the property of the Funds is clearly identified, held separately from other funds and our assets and is valued regularly;
- ensure payments from a Fund's property are made in accordance with the Constitution of that Fund and the Corporations Act; and
- report to ASIC breaches of the Corporations Act in relation to a Fund which has had, or is likely to have, a materially adverse effect on investors' interests.

EQT will be primarily liable for anything done by it and its agents in connection with the Funds. As noted above, subject to the Corporations Act, we are generally not liable for any loss unless we or our agents act negligently or fail to act in good faith. Copies of the Constitution of the Funds are available, free of charge, on request from EQT.

## Compliance Plan

EQT has prepared and lodged a compliance plan for each of the Funds with ASIC. The plans describe the procedures used by EQT to comply with the Corporations Act and the Funds' Constitutions. Each year the plans for the Funds are audited and the audit report is lodged with ASIC.

## Indemnity

EQT, as the Responsible Entity of the Funds is indemnified out of the Funds against all liabilities and expenses properly incurred in the execution, or purported execution, of its obligations, powers, authorities and discretions under the Corporations Act or the Constitution of the Funds. EQT, as the Responsible Entity, is also entitled to be indemnified against all actions, proceedings, costs, claims and demands in respect of anything done or omitted to be done in any way relating to the Funds, except to the extent that the Corporations Act or the law prohibits such indemnity.

EQT may retain and pay out of the relevant Fund's assets all sums necessary to effect such an indemnity.

## Fees and other costs

Below is a Consumer Advisory Warning which is required by law to be displayed at the beginning of the Fees and Other Costs section of this PDS. The fee example given in the Consumer Advisory Warning does not relate to any investments described within this PDS, and is a standard example defined by the regulations.

Detailed information about the fees and other costs related to the Funds described in this PDS are provided in the section following the Consumer Advisory Warning.

### Consumer Advisory Warning

#### DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your fund balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

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

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

#### TO FIND OUT MORE

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

## Fees and Other Costs (cont.)

### Fees and Other Costs

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

Taxes are set out in another part of this document.

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

| TYPE OF FEE OR COST  | AMOUNT   |  | HOW AND WHEN PAID   |
|--|--|--|---|
| Fees when your money moves in or out of the fund   | EQT SGH Absolute Return Trust  | EQT Small Companies Fund   |   |
| <b>Establishment fee</b><br>The fee to open your investment                                  | Nil  | Nil  | There is no establishment fee payable when you set up your investment in the Fund.  |
| <b>Contribution fee<sup>1</sup></b><br>The fee on each amount contributed to your investment | Nil  | Nil  | There is no contribution fee payable when you invest in the Fund.   |
| <b>Withdrawal fee<sup>1</sup></b><br>The fee on each amount you take out of your investment  | Nil  | Nil  | There is no withdrawal fee payable when you withdraw investments from the Fund.   |
| <b>Termination fee</b><br>The fee to close your investment                                   | Nil  | Nil  | There is no termination fee payable when you close your investment in the Fund.   |
| <b>Management Costs<sup>1</sup></b>  |  |  |   |
| The fees and costs for managing your investment  |  |  |   |
| Responsible Entity Fees <sup>2</sup>   | 1.845% p.a.<br>(Based on a constant investment of \$5,000, the amount in dollars is \$92.25) | 1.845% p.a.<br>(Based on a constant investment of \$5,000, the amount in dollars is \$92.25) | The Responsible Entity Fees (including Responsible Entity and investment management fees) are calculated and accrued daily based on: <ul style="list-style-type: none"> <li>the Net Asset Value of the Fund for the EQT SGH Absolute Return Trust; and</li> <li>the Gross Asset Value of the Fund for the EQT Small Companies Fund.</li> </ul> The accrued fees are paid in arrears from the Fund at the end of each month. The Responsible Entity Fees reduce the Net Asset Value of the Fund and are reflected in the unit price. |
| Estimated Expense Recoveries   | 0.205% p.a.<br>(Based on a constant investment of \$5,000, the amount in dollars is \$10.25) | 0.308% p.a.<br>(Based on a constant investment of \$5,000, the amount in dollars is \$15.40) | The Estimated Expense Recoveries (including custodian fees, administration, and other expenses) are calculated and accrued daily based on the Net Asset Value of the Fund. The accrued expenses are paid in arrears from the Fund at the end of each month. The Expense Recoveries reduce the Net Asset Value of the Fund and are reflected in the unit price.  |
| <b>Service fees</b>  |  |  |   |
| Investment switching fee – The fee for changing investment options                           | Nil  | Nil  | Not applicable.   |

<sup>1</sup> Management costs in this table include Responsible Entity Fees and estimated expense recoveries.

<sup>2</sup> The Responsible Entity Fee may include an amount payable to an adviser (see 'Adviser remuneration' under the heading 'Additional Explanation of Fees and Costs').

## Additional Explanation of Fees and Costs

### Expense Recoveries

We are entitled to be reimbursed for certain expenses incurred in managing the Funds. They include expenses properly incurred in the administration, custody, management, compliance and promotion of the Funds. Other expenses include tax and operating costs, such as audit, legal and tax consulting fees, are also recoverable out of the assets of the Funds.

We have the right to recover all proper and reasonable expenses from the Funds and as such the specified percentage of expense recoveries is an estimate and may increase or decrease accordingly.

### Performance fees

There is no performance fee charged with respect to the Funds.

### Transaction and other costs

All Government taxes such as stamp duty and GST will be deducted from the Funds as appropriate. Relevant tax information is provided in the 'Taxation' section. RITCs will also be claimed by the Funds where appropriate to reduce the cost of GST to the Funds and investors.

The Funds may incur transaction costs. These transaction costs include brokerage, settlement costs (including custody costs), clearing costs and stamp duty. Transaction costs include costs incurred by a Fund when investors invest in or withdraw from the Fund and when transacting to meet investment objectives. These costs are an additional cost to the investor but are generally reflected in the unit price (through the buy/sell spread) and not charged separately to the investor. Transaction costs which are not recovered through the buy/sell spread are deducted from the Funds from time to time as they are incurred and are reflected in the unit prices of the Funds.

The exact amount of transaction costs is dependant on a number of different variables, including the level of trading undertaken by a Fund. As such, EQT is unable to provide a meaningful amount or percentage of the estimated transaction costs for the Funds.

EQT is presently developing a formal policy in relation to the guidelines and relevant factors taken into account when calculating transaction costs, including the buy/sell spread, and how that affects the unit price. Refer to 'Valuation of the funds and application price of units'. Once finalised, a copy of this policy will be available free on request.

### Buy/Sell Spread

The buy/sell spread reflects the estimated transaction costs associated with buying and selling the assets of a Fund when investors invest in or withdraw from that Fund. The buy/sell spread is an additional cost to the investor but it is generally included in the unit price and not charged separately to the investor. If charged, the buy/sell spread would be paid into the relevant Fund and not paid to EQT or the Investment Manager. The estimated buy/sell spread for each of the Funds in this PDS is 0.35% upon entry (\$3.50 for an additional investment of \$1,000) and 0.35% upon exit (\$3.50 for a withdrawal of \$1,000). EQT has a policy in place which sets out the guidelines and relevant factors for calculating transaction costs, including the buy/sell spread. A copy of this policy is available free upon request.

### Adviser remuneration

EQT may, at its discretion (subject to the Corporations Act and any applicable ASIC relief) make an ongoing commission payment out of its Responsible Entity Fee to licensed dealers, financial planners, stockbrokers and other people as permitted by law.

The ongoing commission payment to such advisers is 0.44% (including GST) per annum of the daily balance of an investor's holding, based on the volume of funds invested in the Funds through the adviser, which is equivalent to \$4.40 for every \$1,000 invested. The adviser has the option to rebate this commission to the investor. Investors need to negotiate this rebate with their adviser.

As a member of IFSA, we maintain an Alternate Forms of Remuneration Register. The register, which you can review by contacting us, outlines some alternative forms of remuneration that we may pay to or receive from AFS licensees, fund managers or representatives (if any is paid or received at all in relation to the Funds).

## **Additional Explanation of Fees and Costs (cont.)**

### **Can the fees change?**

Yes, all fees can change without investor consent, subject to the maximum amount specified in each Fund's Constitution. Reasons might include changing economic conditions and changes in regulation. We have the right to recover all proper and reasonable expenses incurred in managing the Fund and as such these expenses may increase or decrease accordingly. We will generally provide investors with at least 30 days notice of any proposed change to the Responsible Entity Fee. Expense recoveries and buy/sell spreads may change without notice when it is necessary to protect the interests of existing members and if permitted by law. The Constitutions of the Funds in some circumstances defines the maximum fees that can be charged for some items described in this PDS. The Constitutions of the Funds defines the maximum level of Responsible Entity Fees the Fund may charge.

### **EQT SGH Absolute Return Trust**

The maximum Responsible Entity Fee the Fund can charge is 2% (including GST) of the Net Asset Value of the Fund which is equivalent to \$20 per annum for every \$1,000 of the Fund's net assets. The maximum performance incentive fee that the Responsible Entity is entitled to is calculated at a rate of up to 20% of the increase in the application price of a unit over the relevant period which is usually six months. For instance, if the application price increased from \$1 to \$1.50 then the range of performance incentive fee will be between \$0 and \$0.10 per unit. Therefore for every \$5,000 invested, the performance incentive fee would be between \$0 and \$500. There is no present intention to charge a performance fee. There are no maximum fee amounts defined for the other fee components which make up the Management Costs of the Fund.

### **EQT Small Companies Fund**

The maximum contribution and withdrawal fees the Fund can charge is 6% (including GST), which is equivalent to \$60 for every \$1,000 invested. The maximum Responsible Entity Fee the Fund can charge is 2% (including GST) of the Gross Asset Value of the Fund which is equivalent to \$100 per annum for every \$5,000 of the Fund's assets. The maximum Additional Contribution fee the Fund can charge for every \$1,000 invested is \$60 (including GST). Where the Fund enters into "arrangements for additional contributions", the maximum contribution fee the Fund can charge is \$10 (including GST) or any higher amount which is notified in writing in such an arrangement. There are no maximum fee amounts defined for the other fee components which make up the Management Costs of the Fund.

## Example of Annual Fees and Costs

This table gives an example of how the fees and costs for EQT SGH Absolute Return Trust can affect your investment over a one year period. You should use this table to compare this product with other managed investment products.

### EQT SGH Absolute Return Trust

| EXAMPLE<br>EQT SGH Absolute Return Trust |                          | Balance of \$50,000 with contribution of \$5,000 during the year   |
|--|--------------------------|--|
| Contribution fees                        | Nil                      | For every additional \$5,000 you put in, you will be charged \$0.  |
| <b>PLUS</b> Management Costs             | 2.214% p.a. <sup>1</sup> | <b>And</b> for every \$50,000 you have in the fund, you will be charged \$1,107.00 each year.  |
| <b>EQUALS</b> Cost of fund               |                          | If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees from:<br><b>\$1,107.00<sup>1,2</sup></b><br><b>What it costs you will depend on the fees you negotiate with your fund or financial adviser.</b> |

This table gives an example of how the fees and costs for EQT Small Companies Fund can affect your investment over a one year period. You should use this table to compare this product with other managed investment products.

### EQT Small Companies Fund

| EXAMPLE<br>EQT Small Companies Fund |                          | Balance of \$50,000 with a contribution of \$5,000 during the year.  |
|-------------------------------------|--------------------------|--|
| Contribution fees                   | Nil                      | For every additional \$5,000 you put in, you will be charged \$0.  |
| <b>PLUS</b> Management Costs        | 2.163% p.a. <sup>1</sup> | <b>And</b> for every \$50,000 you have in the fund, you will be charged \$1,081.50 each year.  |
| <b>EQUALS</b> Cost of fund          |                          | If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees from:<br><b>\$1,081.50<sup>1,2</sup></b><br><b>What it costs you will depend on the fees you negotiate with your fund or financial adviser.</b> |

**NOTE:** At the date of this PDS, there are no establishment fees, contribution fees, withdrawal fees, switching fees or termination fees.

<sup>1</sup> This figure is based on the Indirect Cost Ratio (ICR) of the Fund for the 2004/2005 financial year. The ICR is the ratio of the Fund's management costs (calculated in accordance with the Corporations Regulations) that are not deducted directly from a member's account to the Fund's total average net assets. The estimated expense recoveries component of the Fund's management costs is lower than the expenses recovered for the 2004/2005 financial year.

<sup>2</sup> This amount assumes a constant investment balance of \$50,000 throughout the year. Management Costs will also be charged in relation to any additional contributions you make during the year and the amount you pay will depend on the proportion of the year during which the additional contributions are invested.

# Taxation

The following summary of taxation matters is a general guide that outlines the taxation implications applicable to the Funds and resident investors who are not considered to be trading in investments for tax purposes. The summary is based on the tax laws as at the date of this PDS. The tax laws are subject to continual change, and as the tax treatment applicable to particular investors may differ, it is recommended that all investors seek their own professional advice on the taxation implications before investing in the Funds.

## Taxation of the Funds

Each Fund is a resident of Australia for tax purposes, therefore, each Fund is required to determine its net income (taxable income) for the year of income. Where a Fund realises a capital gain on the disposal of an asset, that Fund may be entitled to take into account the discount capital gain concessions in determining the amount of the net capital gain that is included in the Fund's net income. On the basis that investors are presently entitled (which is EQT's intention) to the net income of a Fund (including net taxable capital gains), pursuant to the existing income tax legislation, that Fund should not be subject to Australian income tax. In the case where a Fund makes a loss for tax purposes, that Fund cannot distribute the loss to investors. However, subject to a Fund meeting certain conditions, that Fund may be able to take into account the losses in subsequent years.

## Taxation of resident investors

### Distributions

Generally, an investor's entitlement (share) to the net income of a Fund for a year of income, including amounts that are received in a subsequent year of income or which are reinvested, forms part of the investor's assessable income for that year.

If an investor's share of the net income of a Fund includes an amount that consists of discount capital gains derived by that Fund, the investor needs to first

"gross up" the discount capital gain (by the amount of any reduction in the capital gain that that Fund obtained). However, individual, trust, and complying superannuation fund investors may then be entitled, in determining the net capital gain that is to be included in their assessable income, to the discount capital gain concessions. Furthermore, investors may be able to offset certain other capital losses they may have against their share of the capital gains included in the net income of that Fund (after grossing up any discount capital gains).

## Imputation Credits and Franked Dividends

Income distributions from a Fund may include an entitlement to franked dividends. Generally, investors should include the franked dividends and the franking credits (imputation credits) they receive in their assessable income.

Certain additional requirements, including the 45 day holding period rule may need to be satisfied in order to obtain franking credits in relation to dividends. The investor's particular circumstances (and that of a Fund) will be relevant to determine whether the investor is entitled to any franking credits, in respect of the investor's share of the franked dividends. Any excess imputation credits may be refundable to some investors, such as individuals and complying superannuation funds.

## Foreign Income

Each Fund may derive foreign source income that is subject to tax overseas, for example withholding tax. Investors should include their share of both the foreign income and the amount of the foreign tax credits in their assessable income. However, investors may be entitled to foreign tax credits that may be used to offset the Australian tax payable on the foreign source income.

### **Foreign Investment Fund (FIF)**

Each Fund may hold (either directly or indirectly) interests in certain foreign companies and foreign trusts which are subject to the FIF regime. Broadly, under the FIF regime, investors in a Fund may be assessed on their portion of gains in the value of the FIF investments held by that Fund at the end of the financial year, even though those gains are unrealised. However, there are a number of exemptions available that may prevent investors from being taxed on their unrealised gains in FIF investments. Whether these exemptions may apply may depend on the investors' individual circumstances. As such, investors should seek professional advice as to the tax treatment of their share of any FIF income. Whilst each Fund intends to manage its exposure to the FIF rules, ultimately the application of the FIF rules may depend on the individual circumstances of the investors.

### **Non-assessable distribution payments**

Distributions of non-assessable amounts are generally not subject to tax. Examples of non-assessable amounts include distributions comprising amounts attributable to deductions for capital allowances. Although the receipt of non-assessable amounts is generally not subject to tax, the receipt of certain non-assessable amounts may have capital gains tax consequences. Broadly, the receipt of certain non-assessable amounts may reduce the cost base and reduced cost base of the investor's investment in a Fund. The impact of the reduction to the cost base and reduced cost base may result in either an increased capital gain or a reduced capital loss on the subsequent disposal of the investment in a Fund.

### **Discount capital gain concession**

To the extent that the distributed non-assessable amounts consist of the discount capital gain concession, no adjustment to the cost base or reduced cost base of the underlying investment in a Fund should be required. However, investors that are companies and complying superannuation funds may not receive the full benefit of the discount capital gain concessions (whether distributed or not). This is because companies are not entitled to the discount concessions and the discount concession rate applying to complying superannuation funds is lower than that which apply to trusts and individuals.

### **Disposal of Units by Investors**

Any taxable capital gain arising from the disposal of an investment in a Fund may form part of the investor's assessable income. Investors that are individuals, trusts, and complying superannuation funds may be eligible for the discount capital gain concession if their investment (units) has been held for 12 months or more and the relevant Fund and the investor satisfy certain other requirements.

### **Tax File Numbers (TFN) and Australian Business Numbers (ABN)**

It is not compulsory for an investor to quote their TFN or ABN. If an investor is making this investment in the course of a business or enterprise carried on by the investor, the investor may quote an ABN instead of a TFN. Failure by an investor to quote an ABN or TFN or claim an exemption may cause EQT to withhold tax at the top marginal rate plus the Medicare Levy, on gross payments including distributions of income to the investor. The investor may be able to claim a credit in the investor's tax return for any TFN/ABN tax withheld. By quoting their TFN or ABN, the investor authorises EQT to apply it in respect of all the investor's investments with EQT. If the investor does not want to quote their TFN or ABN for some investments, EQT should be advised.

## Consents

SG Hiscock & Company Limited, has given, and had not withdrawn at the date of this PDS:

- its written consent to be named in this PDS as the Investment Manager of the Funds; and
- its written consent to the statements made about SGH, the Funds and the tables and statistical information, specifically attributed to SGH, in the form and context in which they appear.

Otherwise SGH has not been involved in the preparation of this PDS or caused or otherwise authorised the issue of this PDS. Neither SGH nor its employees or officers, accept any responsibility arising in any way for errors or omissions, other than those statements for which it has provided its written consent to EQT for inclusion in this PDS.

## EQT Directors

The Directors of the Equity Trustees Limited at the date of this PDS are:

Philip G Molyneux (Chairman)  
Peter J Williams (Managing Director)  
David F Groves  
John R McConnell  
Barry J Jackson  
JA (Tony) Killen  
Ross A Illingworth

## Cooling off Period

If you are a retail client (as defined in the Corporations Act) you may have a right to 'cool off' in relation to an investment in the Funds within 14 days of the earlier of:

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

A retail client may exercise this right by notifying EQT in writing at the address as stated in this PDS. A retail client is entitled to a refund of their investment adjusted for any increase or decrease in the relevant application price(s) between the time we process your application and the time we receive the notification from you, as well as any other tax and other reasonable administrative expenses and transaction costs associated with the acquisition and termination of the investment.

A retail client's right to cool off does not apply in certain limited situations, such as if the issue is made under a distribution reinvestment plan, switching facility or represents additional contributions required under an existing agreement. Also, the right to cool off does not apply to you if you choose to exercise your rights or powers as a unitholder in the relevant Fund during the 14-day period. This could include selling part of your investment or switching it to another product.

## Privacy Statement

When you complete the application form for units in the Funds, EQT will be collecting personal information from you. EQT may collect additional personal information from you in the future.

EQT needs to collect personal information from investors for the primary purpose of providing investors with an investment in the Funds (including assessing your application and identifying you). There are also a number of related purposes for which your personal information will be collected and these are to process your application, administer and manage your investment in the Funds, and comply with Australian taxation laws, the Corporations Act and other laws and regulations.

If you do not provide EQT with your contact details and other information it may not be able to process your application, administer or manage your investment or tell you about investment opportunities in which you may be interested.

The information that an investor provides to EQT may be disclosed to certain organisations. The types of organisations or persons to whom EQT usually discloses the information provided by investors include:

- the Australian Taxation Office and other government or regulatory bodies;
- your adviser or adviser dealer group, their service providers and any joint holder of your investment;
- organisations involved in providing, administering or managing the Funds such as any third party service provider engaged by EQT to provide administration, custody, investment management, technology, auditing, registry, mailing or printing services;
- those where you have consented to such disclosure, or as required or authorised by law.

Your information may also be used in connection with the purposes for which it is collected. EQT may also use your information to forward to you from, time to time, details of other investment opportunities offered by EQT in which you may be interested. Please tick the box on the application form if you do not wish to be updated with such investment opportunities or in future by contacting EQT. If you do not mark the box on the application, we will assume that you want to hear about the investment opportunities we have described.

You can gain access to the personal information EQT holds about you, subject to some exceptions allowed by law. EQT will give you reasons if it denies access. Please contact EQT by calling the number, or by writing to EQT at the address listed on the inside back cover of this PDS, if you have any questions about how EQT handles your personal information, or if you wish to access the personal information that it holds about you.

If you have any queries in relation to EQT's Privacy Statement please contact the EQT Privacy officer on (03) 8623 5000.

# Accumulator Plan – Regular Payment Plan Terms and Conditions

By completing the direct debit request form you agree that the following terms and conditions shall apply where EQT has agreed to effect automatic deductions from your account under the Accumulator Plan.

Monthly payments will be made on or about the 20th of each month.

## 1. Debiting your account

By signing a direct debit request, you have authorised EQT to arrange for funds to be debited from your account. You should refer to the direct debit request and this agreement for the terms of the arrangement between EQT and you.

EQT will only arrange for funds to be debited from your account as authorised in the direct debit request.

EQT will only arrange for funds to be debited from your account if EQT has sent, to the address nominated by you in the direct debit request, a billing advice which specifies the amount payable by you to EQT and when it is due.

If the debit day falls on a day that is not a Business Day, EQT may direct your financial institution to debit your account on the following Business Day.

If you are unsure about the day your account has been, or will be, debited you should ask your financial institution.

## 2. Changes by Equity Trustees Limited

EQT may vary any details of this agreement or a direct debit request at any time by giving you at least 14 days written notice.

## 3. Changes by Investor

Subject to this clause, you may vary the amount of your savings plan arrangements under a direct debit request by contacting EQT on 1300 555 378 or [unitregistry@eqt.com.au](mailto:unitregistry@eqt.com.au).

Changing the bank account from which you wish your drawings to be debited will require completion of a new Direct Debit Request form.

If you wish to stop or defer a debit payment you must notify EQT in writing at least 14 days before the next debit day. This notice should be given to EQT in the first instance.

You may also cancel your authority for EQT to debit your account at any time by giving EQT 14 days notice in writing before the next debit day. This notice should be given to EQT in the first instance.

## 4. Investor obligations

It is your responsibility to ensure that there are sufficient clear funds available in your account to allow a debit payment to be made in accordance with the direct debit request.

If there are insufficient clear funds in your account to meet a debit payment:

- you may be charged a fee and/or interest by your financial institution;
- you may also incur fees or charges imposed or incurred by EQT; and
- you must arrange for the debit payment to be made by another method or arrange for sufficient clear funds to be available in your account by an agreed time so that we can process the debit payment.

You should check your account statement to verify that the amounts debited from your account are correct.

If EQT is liable to pay goods and services tax ('GST') on a supply made in connection with this agreement, then you agree to pay EQT on demand an amount equal to the consideration payable for the supply multiplied by the prevailing GST rate.

## 5. Dispute

If you believe that there has been an error in debiting your account, you should notify EQT directly on 1300 555 378 and confirm that notice in writing with EQT as soon as possible so that EQT can resolve your query more quickly.

If EQT concludes as a result of its investigations that your account has been incorrectly debited EQT will respond to your query by arranging for your financial institution to adjust your account (including interest and charges) accordingly. EQT will also notify you in writing of the amount by which your account has been adjusted.

If EQT concludes as a result of its investigations that your account has not been incorrectly debited EQT will respond to your query by providing you with reasons and any evidence for this finding.

Any queries you may have about an error made in debiting your account should be directed to EQT in the first instance so that EQT can attempt to resolve the matter between EQT and you. If EQT cannot resolve the matter you can still refer it to your financial institution which will obtain details from you of the disputed transaction and may lodge a claim on your behalf.

## 6. Accounts

You should check:

- with your financial institution whether direct debiting is available from your account as direct debiting is not available on all accounts offered by financial institutions;
- your account details which you have provided to EQT are correct by checking them against a recent account statement; and
- with your financial institution before completing the direct debit request if you have any queries about how to complete the direct debit request.

## 7. Confidentiality

Subject to the Privacy Statement set out in this PDS, EQT will keep any information (including your account details) in your direct debit request confidential. EQT will make reasonable efforts to keep any such information that it has about you secure and to ensure that any of its employees or agents who have access to information about you do not make any unauthorised use, modification, reproduction or disclosure of that information.

EQT will disclose information that it has about you:

- in accordance with the Privacy Statement set out in this PDS;
- for the purposes of this agreement; or
- in connection with any query or claim (including relating to an alleged incorrect or wrongful debit).

## 8. Notice

If you wish to notify EQT in writing about anything relating to this agreement, you should write to:

**Equity Trustees Limited**  
**Client Services Registry Team**  
**GPO Box 2307**  
**MELBOURNE VIC 3001**

Equity Trustees will notify you by sending a notice in the ordinary post to the address you have given EQT in the direct debit request.

Any notice will be deemed to have been received on the third Business Day after posting.

## EQT Online Access – Terms And Conditions

By ticking the EQT Online Access box on the Application Form and signing the Form, you agree to the following terms and conditions (Conditions).

1. In these Conditions:

- 'Account' means your investment account with EQT;
- 'Information' means the information concerning your investments made available to you through EQT's website;
- 'Password' means your online access password;
- 'Logon Access Code' means your personal identification relating to your Accounts;
- 'we', 'us' and 'EQT' means Equity Trustees Limited; and
- 'you' and 'your' refers to the EQT client and any persons accessing the EQT client's investment information on their behalf.

2. To view your Account details and related information online, you will need to log on to our online access service using your Logon Access Code and Password.

3. If any person uses your Logon Access Code and Password, we are entitled to give them access to your Account information and to assume that they are authorised by you to access your Account information.

4. You must keep your Logon Access Code and Password confidential and secure. You must tell us immediately if you suspect that any unauthorised person has gained access to your Logon Access Code or Password.

5. We will use all reasonable efforts to provide you online access to your Account at all reasonable times but we do not guarantee that we can always provide this.

6. We will use reasonable efforts to provide you with reliable information to the extent it is within our control but we do not guarantee that we can provide it.

7. We are not responsible for transmissions of any computer virus or other unwanted programs or information resulting from or associated with your use of our online access service.

8. We will securely hold, maintain and store your personal information and will ensure that appropriate security measures are in place to prevent unauthorised access to your personal information.

9. You authorise EQT and any other company within the EQT Group and any agents it may appoint to use your personal information for the delivery of our online access service.

10. You acknowledge that anything associated with or available through our online access service belongs to EQT or other third parties and is protected by intellectual property rights.

11. You agree that you will not interfere with or damage any security codes, data or software associated with our online access service.

12. You agree not to access, download or otherwise use any information available through our online access service other than for your personal use.

13. You indemnify us for any loss, expense or liability that we may suffer or incur as a result of any unauthorised use by you of our online access service.

14. Subject to any conditions and warranties implied by law, we exclude any liability for any unavailability or delay in providing any information and for any inaccuracy or incompleteness of any information available through our online access service.

15. You release EQT and any other company within the EQT Group and any of their directors, employees or agents they may appoint from any liabilities you incur or loss that you suffer from your use of our online access service.

16. We may suspend or cancel your online access to your Account at any time and for any reason, and if possible, we will give you notice before we do so.

17. We may vary these conditions from time to time and any variation will take effect from the time we notify you of the variation.

18. You may end your use of this service at any time by giving us written notice.

## Application Form

This application form is part of a Product Disclosure Statement (PDS) relating to units in EQT SGH Absolute Return Trust and EQT Small Companies Fund (collectively "the Funds"). The PDS contains information about investing in the Funds. You should read this document and any supplementary PDS before applying for units in the Funds. *(If you make an error while completing your application form, do not use correction fluid. Cross out your mistakes and initial your changes).*

### Additional information required under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006

In accordance with the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (the AML/CTF Act) we are required to collect additional information about you. We may also ask you to provide **certified** copies of certain identification documents along with the application form.

Under the AML/CTF Act, we are prohibited from processing your application until we have received all of the information and supporting documentation requested in this form. In most cases, the information that you provide in this form will satisfy the AML/CTF Act.

However, in some instances we may contact you to request further information. It may also be necessary for us to collect information (including sensitive information) about you from third parties in order to meet our obligations under the AML/CTF Act.

A list of persons eligible to certify documents can be found in Appendix 1 on the last page of this form.

### **Part A - Are you an existing investor?**

**Existing Investor**

If you are an existing investor in the funds *prior to 31 January 2008* you do not need to provide additional identification information. If you have invested *after 31 January 2008*, and *have not previously provided identification information* you will need to provide the additional information requested in the section relating to your investor type under **Part B Type of Investor** below. **For all existing investors**, complete your existing account details below; if required complete the section relating to your investor type as indicated by **Part B Type of Investor**, and also complete **Part C** if it applies to you. Then complete the application form from Section 11 onwards.

|                                    |
|------------------------------------|
| Existing investment - name of fund |
| Existing account number            |
| Existing account name              |

**New Investor**

Complete your investor details and the additional information requested in the section relating to your investor type as indicated by **Part B Type of Investor**; also complete **Part C** if it applies to you. **Then** complete the remainder of the application form from Section 10 onwards and **mail** the completed form along with your certified identification documentation (where applicable) to the unit registry contact details provided in the PDS. **Faxed copies will not be accepted.**

**If investing via a Financial Adviser**

Please ensure both you and your financial adviser also complete **Section 18 Financial Adviser Details and Customer Identification Declaration**. You do not need to provide copies of your certified identification documentation with your application form if this information has been provided to your financial adviser and your financial adviser has elected to retain this information, and agreed to make it available upon request, under Section 18 of the application form.

## **Part B - Type of investor**

### **Type of Investor**

### **Go to and complete**

- |  |   |
|--|---|
| <input type="checkbox"/> Individual/Joint          | Section 1A  |
| <input type="checkbox"/> Sole trader               | Section 1A & 1B   |
| <input type="checkbox"/> Company                   | Section 2   |
| <input type="checkbox"/> Trust/Superannuation Fund | Section 3   |
| <input type="checkbox"/> Partnership               | Section 4   |
| <input type="checkbox"/> Charity                   | Section 5   |
| <input type="checkbox"/> Association               | Section 6   |
| <input type="checkbox"/> Co-operatives             | Section 7   |
| <input type="checkbox"/> Government Body           | Section 8   |
| <input type="checkbox"/> IDPS/Platforms            | Please contact <b>EQT Client Services on 1300 555 378</b> for the forms that you will need to complete. |

## **Part C - Authorised Representative/Agent**

- |  |                              |
|--|------------------------------|
| <input type="checkbox"/> Authorised Representative/Agent | Go to Section 9 and complete |
|--|------------------------------|

## **Section 1 - Individual / Joint / Sole Trader**

### **A. Individual / Joint Investor Details** *(joint applicants will be held as joint tenants)*

Complete your name, address and contact details below. You must include a residential street address (not a PO Box).

#### **Investor 1**

|  |               |
|--|---------------|
| Title Mr/Mrs/Ms/Dr/Other                                 | Date of Birth |
| Given Name/s   | Surname       |
| TFN (or reason for exemption)                            |               |
| Country of residence for tax purposes (if not Australia) |               |

Residential address (not a PO Box)

|         |       |          |
|---------|-------|----------|
| Address |       |          |
| Suburb  | State | Postcode |
| Country |       |          |

#### **Investor 2**

|  |               |
|--|---------------|
| Title Mr/Mrs/Ms/Dr/Other                                 | Date of Birth |
| Given Name/s   | Surname       |
| TFN (or reason for exemption)                            |               |
| Country of residence for tax purposes (if not Australia) |               |

Residential address (not a PO Box)

|         |       |          |
|---------|-------|----------|
| Address |       |          |
| Suburb  | State | Postcode |
| Country |       |          |

### **B. Sole Trader Details (A person carrying on a business in Australia) (please also complete Section 1A)**

Business name (if any)

|  |
|--|
|  |
|--|

Australian Business Number (ABN) if applicable

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
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Tax File Number (TFN)

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
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Principal place of business (not a PO Box)

|         |       |          |
|---------|-------|----------|
| Address |       |          |
| Suburb  | State | Postcode |
| Country |       |          |

### **Identification documentation required for Individual and Joint Applicants/Sole Trader**

A certified copy of any **ONE** of the following documents:

- Australian driver's licence; OR
- Australian passport; OR
- Any ID card issued under a state or territory law which contains your photo, date of birth and signature.

## **Section 2 - Company**

### **Company name and contact**

Company name (as registered with ASIC)

Contact person

### **Australian Company (Complete A below)**

Public  Private (proprietary)

### **Foreign Company (Complete B below)**

Public  Private (proprietary)

### **A. Australian Company (both Public & Private)**

Australian Company Number (ACN)

Australian Business Number (ABN)

Registered address (not a PO Box)

|                   |       |          |
|-------------------|-------|----------|
| Address           |       |          |
| Suburb            | State | Postcode |
| Country Australia |       |          |

### **Principal Place of Business in Australia**

- Same as registered address above  
 Other – please provide address below (not a PO Box)

|                   |       |          |
|-------------------|-------|----------|
| Address           |       |          |
| Suburb            | State | Postcode |
| Country Australia |       |          |

**For Private Australian Company, complete Part C below**

### **B. Foreign Company (Public & Private)**

Australian Registered Business Number (ARBN) (if not registered, leave blank)

Identification number issued by foreign registration body (If not registered, write 'Not registered')

Name of foreign registration body (If applicable)

Registered address in Australia (If not Registered in Australia, provide overseas address) (not a PO Box)

|         |       |          |
|---------|-------|----------|
| Address |       |          |
| Suburb  | State | Postcode |
| Country |       |          |

## Section 2 – Company (continued)

### Principal Place of Business in Australia (or full name and address of company's agent in Australia)

- Same as registered address above  
 Other – please provide address below (not a PO Box)

Full name of agent in Australia (If applicable)

|  |
|--|
|  |
|--|

|                   |       |          |
|-------------------|-------|----------|
| Address           |       |          |
| Suburb            | State | Postcode |
| Country Australia |       |          |

For Private Foreign Company, complete Part C below

## C. Director & Shareholder details

### 1. Director details for Private Companies

Director 1 – Full Name

|  |
|--|
|  |
|--|

Director 2 – Full Name

|  |
|--|
|  |
|--|

Director 3 – Full name

|  |
|--|
|  |
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Director 4 – Full Name

|  |
|--|
|  |
|--|

Director 5 – Full Name

|  |
|--|
|  |
|--|

(If more than 5 directors, please provide full names on a separate page and attach to this form.)

### 2. Major Shareholders for Private Companies excluding regulated companies

For private company (Australian and foreign) which is not a 'regulated company'<sup>1</sup> please provide details for each shareholder who owns, through one or more shareholdings, more than 25% of the company's issued capital.

1. 'Regulated Company' – any company that is licensed and subject to the oversight by a statutory regulator ie. ASIC, APRA, ATO

#### Major Shareholder 1 – Full Name

|  |
|--|
|  |
|--|

Residential address (not a PO Box)

|         |       |          |
|---------|-------|----------|
| Address |       |          |
| Suburb  | State | Postcode |
| Country |       |          |

#### Major Shareholder 2 – Full Name

|  |
|--|
|  |
|--|

Residential address (not a PO Box)

|         |       |          |
|---------|-------|----------|
| Address |       |          |
| Suburb  | State | Postcode |
| Country |       |          |

## Section 2 – Company (continued)

### Major Shareholder 3 – Full Name

Residential address (not a PO Box)

|         |       |          |
|---------|-------|----------|
| Address |       |          |
| Suburb  | State | Postcode |
| Country |       |          |

No certified documents are required for companies.

## Section 3 - Trust / Superannuation Fund

Name of Trust / Superannuation Fund

Country of establishment

Tax File Number (TFN)

|  |  |  |  |  |  |  |  |  |  |
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### Type of Trust

- Category A Government superannuation fund (Australian or foreign) established under legislation
- Category B Foreign superannuation fund (other than Category A)
- Category C Managed investment scheme registered with ASIC

Australian Registered Scheme Number (ARSN)

|  |  |  |  |  |  |  |  |  |  |
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- Category D Regulated Trust\*

Name of regulator (eg ASIC, APRA, ATO)

Registration/Licence details

Australian Business Number (ABN)

|  |  |  |  |  |  |  |  |  |  |  |  |
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- Category E Other (eg family trust, unregistered scheme, foreign trust) – please specify below\*

\* A Regulated trust refers to:

i) a self managed superannuation fund within the meaning of Section 19 of the Superannuation Industry (Supervision) Act 1993 (SIS) – the regulator is the Australian Tax office,

ii) a regulated superannuation fund, an approved deposit fund, a pooled superannuation trust or a public sector superannuation scheme within the meaning of the SIS Act – the regulator is the Australian Prudential Regulation Authority (APRA).

### Section 3 - Trust / Superannuation Fund (continued)

If you selected either **Category B** or **Category E**, you will need to provide details of beneficiaries.

#### Beneficiary details

Do the terms of the Trust identify the beneficiaries by reference to a membership of a class?

Yes Provide details of membership class (eg family members of a named person)

|  |
|--|
|  |
|  |

No List full names of all company and individual beneficiaries

Beneficiary 1 – Full name

|  |
|--|
|  |
|--|

Beneficiary 2 – Full name

|  |
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Beneficiary 3 – Full name

|  |
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Beneficiary 4 – Full name

|  |
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*(If more than 4 beneficiaries, please provide full names on a separate page and attach to this form.)*

#### Trustee details

Trustee is a:

Company Complete **Section 2 Company** of this form

Individual Complete individual trustee details below

Please provide details for **ONE** of the individual trustees as follows:

|                          |               |
|--------------------------|---------------|
| Title Mr/Mrs/Ms/Dr/Other | Date of Birth |
| Given Names              | Surname       |

Residential address (not a PO Box)

|         |       |          |
|---------|-------|----------|
| Address |       |          |
| Suburb  | State | Postcode |
| Country |       |          |

#### Identification documentation required for Trust / Superannuation Fund

For **Category B (Foreign Super Fund)** and **Category E (other Trust)** you must provide ONE of the following documents:

- Certified copy or certified extract of the trust deed; OR
- Notice (such as an assessment notice) issued to the trust by the Australian Taxation Office within preceding 12 months;  
**OR**
- A letter from a solicitor or qualified accountant verifying the name of the trust.

For **individual trustees**, you must provide a certified copy of any **ONE** of the following documents:

- Australian driver's licence; OR
- Australian or foreign passport; OR
- Any ID card issued under a state or territory law which contains your photo, date of birth and signature.

Category B and E trusts must also provide a list of the full names and addresses (not PO Boxes) of all individual and company trustees.

## **Section 4 - Partnership**

Full name of partnership

Registered business name of partnership (if any)

Country where partnership established

### **Type of Partnership**

Is the partnership regulated by a professional association?

- Yes                      Complete **Part A - Regulated Partnership** below
- No                            Complete **Part B - Unregulated Partnership** below

### **A. Regulated Partnership**

Full name of Professional Association partnership regulated by

Membership/Registration details

### **Partner details**

Please provide details for **ONE** of the partners as follows:

|                          |               |
|--------------------------|---------------|
| Title Mr/Mrs/Ms/Dr/Other | Date of Birth |
| Given Names              | Surname       |

Residential address (not a PO Box)

|         |       |          |
|---------|-------|----------|
| Address |       |          |
| Suburb  | State | Postcode |
| Country |       |          |

### **B. Unregulated Partnership**

#### **Partner details**

Please provide details for **ALL** of the partners as follows:

#### **Partner 1**

|                          |               |
|--------------------------|---------------|
| Title Mr/Mrs/Ms/Dr/Other | Date of Birth |
| Given Names              | Surname       |

Residential address (not a PO Box)

|         |       |          |
|---------|-------|----------|
| Address |       |          |
| Suburb  | State | Postcode |
| Country |       |          |

## **Section 4 – Partnership (cont)**

### **Partner 2**

|                          |               |
|--------------------------|---------------|
| Title Mr/Mrs/Ms/Dr/Other | Date of Birth |
| Given Names              | Surname       |

Residential address (not a PO Box)

|         |       |          |
|---------|-------|----------|
| Address |       |          |
| Suburb  | State | Postcode |
| Country |       |          |

*(If more than 2 partners, please provide full names and residential addresses on a separate page and attach to this form.)*

### **Identification documentation required for Partnership**

You must provide a certified copy or certified extract of any **ONE** of the following documents:

- The partnership agreement; OR
- Extract of minutes of a partnership meeting.

Both of these documents must show the full name of the partnership.

In addition, **ONE** partner must also provide a certified copy of any **ONE** of the following documents:

- Australian driver's licence; OR
- Australian or foreign passport; OR
- Any ID card issued under a state or territory law which contains your photo, date of birth and signature.

## **Section 5 - Charity**

Full name of Charity

Purpose of Charity

Name of entity controlling Charity

Country of registration (if applicable)

If other than Australia, please provide name of regulator (if any)

Charity Registration Number

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Charity Fundraising Number

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Tax File Number (TFN)

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Australian Business Number (ABN)

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## Section 5 – Charity (continued)

Registered address in Australia (not a PO Box) (If not Registered in Australia, provide overseas address)

|         |       |          |
|---------|-------|----------|
| Address |       |          |
| Suburb  | State | Postcode |
| Country |       |          |

### Type of Charity

- Company Complete **Section 2 Company**
- Trust Complete **Section 3 Trust/Superannuation Fund**
- Partnership Complete **Section 4 Partnership**
- Association Complete **Section 6 Association**
- Registered Cooperative Complete **Section 7 Registered Cooperative**

## Section 6 Association

Full name of Association

Association Identifier Number (if applicable) eg ACN

Full name of Chairman

Full name of Secretary

Full name of Treasurer

### Type of Association

- Incorporated Complete **Part A** below
- Unincorporated Complete **Part B** below

#### A. Incorporated Association

Registered office or residential address of public officer (not a PO Box)

|         |       |          |
|---------|-------|----------|
| Address |       |          |
| Suburb  | State | Postcode |
| Country |       |          |

## Section 6 Association (continued)

### B. Unincorporated Association

Principal place of administration or residential address of public officer (not a PO Box)

|         |       |          |
|---------|-------|----------|
| Address |       |          |
| Suburb  | State | Postcode |
| Country |       |          |

Details of member completing this form on behalf of the Unincorporated Association

|                          |               |
|--------------------------|---------------|
| Title Mr/Mrs/Ms/Dr/Other | Date of Birth |
| Given Names              | Surname       |

Residential address (not a PO Box)

|         |                  |          |
|---------|------------------|----------|
| Address |                  |          |
| Suburb  | State            | Postcode |
| Country | <b>Australia</b> |          |

### Identification documentation required for Associations

#### Both Incorporated and Unincorporated

You must provide a certified copy or certified extract of any **ONE** of the following documents:

- Rules or constitution; OR
- Extract of minutes of an association meeting.

Both of these documents must show the full name of the association.

#### Unincorporated

Member completing this form on behalf of the Unincorporated Association must also provide a certified copy of any **ONE** of the following documents:

- Australian driver's licence; OR
- Australian or foreign passport; OR
- Any ID card issued under a state or territory law which contains your photo, date of birth and signature.

## **Section 7 - Registered Cooperative**

Full name of Registered Cooperative

- Cooperative is registered with ASIC  
 Cooperative is registered with a foreign registration body

Identification Number issued by relevant registration body (if any)

Full name of Chairman

Full name of Secretary

Full name of Treasurer

Registered office or residential address of public officer (not a PO Box)

|         |       |          |
|---------|-------|----------|
| Address |       |          |
| Suburb  | State | Postcode |
| Country |       |          |

### **Identification documentation required for Registered Cooperative**

#### **Both Incorporated and Unincorporated**

You must provide a certified copy or certified extract of any **ONE** of the following documents:

- Register maintained by the cooperative; OR
- Extract of minutes of a meeting of the cooperative.

Both of these documents must show the full name of the cooperative.

## **Section 8 - Government Body**

### **Type of Government Body**

- Entity  
 Established under legislation

### **Australian Government Body**

- A Commonwealth of Australia government body  
 An Australian State or Territory government body – please specify state or territory

Name of Government Body and establishing legislation (if applicable)

Principal place of operations (not a PO Box)

|         |       |          |
|---------|-------|----------|
| Address |       |          |
| Suburb  | State | Postcode |
| Country |       |          |

**No certified documents are required for Government Bodies.**

## **Section 9 - Authorised Representative/Agents**

This section should be completed if:

- an authorised representative has been appointed to operate on this account; OR
- this application is being made by an agent of the investor under a power of attorney or as the investor's legal or nominated representative.

### **All Authorised Representatives/Agents to complete:**

Full name of Authorised Representative/Agent

Title of role held with investor

Signature of Authorised Representative/Agent

Evidence of authority to act on investors behalf eg. Power of Attorney

### **If the investor is a non-individual (ie. a company, trust etc) please also complete the following:**

If a non-individual investor (ie a company, trust etc) appoints an authorised representative in relation to this investment then the investor must also appoint a verifying officer to liaise with that authorised representative.

Please provide the following information about the verifying officer:

|                          |               |
|--------------------------|---------------|
| Title Mr/Mrs/Ms/Dr/Other | Date of Birth |
| Given Names              | Surname       |

Residential address (not a PO Box)

|         |       |          |  |
|---------|-------|----------|--|
| Address |       |          |  |
| Suburb  | State | Postcode |  |
| Country |       |          |  |

### **Identification documentation required for Verifying officer**

You must also provide a certified copy of any **ONE** of the following documents:

- Australian driver's licence; OR
- Australian or foreign passport; OR
- Any ID card issued under a state or territory law which contains your photo, date of birth and signature.

Please also provide written evidence of the Verifying Officer's authority to act for the investor.

Please note that the AML/CTF Act requires a verifying officer to collect and retain the following information about the authorised representative:

- Full name
- Title or role held with the investor
- A copy of their signature
- Evidence of their authority to act on behalf of the investor

## **Section 10 - Investor Contact Details (all new investors to complete)**

### **Investor contact name and contact details**

|  |                               |
|--|-------------------------------|
| Title Mr/Mrs/Ms/Dr/Other               | Date of Birth                 |
| Given Names                            | Surname                       |
| TFN & / or ABN or reason for exemption |                               |
| Phone Number (Work)                    | Phone Number (Mobile or Home) |
| Fax Number                             | Email Address                 |

### **Postal Address (If different to street address)**

|                |       |          |
|----------------|-------|----------|
| Postal Address |       |          |
| Suburb         | State | Postcode |
| Country        |       |          |

## **Section 11 - Investment Choice and Investment Distribution Options**

| Name of Investment Fund   | Amount to be invested | Distributions (please select one only) |                           |  |
|---|-----------------------|--|---------------------------|--|
|   |                       | Reinvest all                           | Pay all to a bank account | Pay income to a bank account and reinvest realised capital gains |
| EQT SGH Absolute Return Trust (minimum initial investment of \$5,000) | \$                    | <input type="checkbox"/>               | <input type="checkbox"/>  | <input type="checkbox"/>   |
| EQT Small Companies Fund (minimum initial investment of \$5,000)      | \$                    | <input type="checkbox"/>               | <input type="checkbox"/>  | <input type="checkbox"/>   |

*If no selection is made or an incomplete instruction is received, the distribution will be reinvested.*

### **Payment Method**

- Cheque                      Cheques are to be made payable to **'Equity Trustees Limited'**
- Direct Debit                  Complete Section 19 'Direct Debit Request Form' and include with this application form

## **Section 12 - Investor banking details (for distributions and redemptions)**

|              |                |
|--------------|----------------|
| Bank Name    |                |
| Bank Address |                |
| Account Name |                |
| BSB Number   | Account Number |

### **Section 13 - EQT Online Access**

- Please tick the box if all the undersigned would like online access to view the details of this investment. Defined terms have the meaning given in the Conditions of EQT Online Access. By signing below you verify that you have read, understood and agree to be bound by the Conditions of EQT Online Access. Please confirm your email address below to receive details as per the Conditions.

### **Section 14 - Authorised Representative/Agent appointment**

*Please complete if Authorised Representative/Agent required.*

I/We have read the terms and conditions of an authorised representative and agree to those terms and conditions.

Name of Authorised Representative/Agent

Signature of Authorised Representative/Agent

|  |  |
|--|--|
|  |  |
|--|--|

*Please also sign Section 17 Declaration and Signatures.*

### **Section 15 - Annual Financial Report**

- You can obtain a copy of the annual financial report for the Funds from the EQT website at [www.eqt.com.au](http://www.eqt.com.au) from 30 September each year. However, if you would like to receive a copy by post please tick the box.

### **Section 16 – Privacy**

When you complete this application form EQT will be collecting personal from you for the primary purpose of processing and administering your investment in the funds. In order to comply with Australian Taxation laws, the Corporations Act, the Anti-Money Laundering and Counter-Terrorism Act and other laws and regulations EQT must collect certain information about you.

EQT may also be required to obtain personal information (including sensitive information) about you from third parties in order to comply with these laws.

The Responsible Entity may disclose your personal information to other parties involved in providing services to, administering or managing the Fund (such as to your financial adviser and to service providers such as external administrators and posting services). The Responsible Entity may also use your information to forward to you, from time to time, details of other investment opportunities offered by the Responsible Entity in which you may be interested.

- Please tick this box if you do **not** want to be updated with such investment opportunities. If you do not mark the box we will assume that you want to hear about the investment opportunities we have described.

## **Section 17 - Declaration and Signatures**

You should read the PDS for in EQT SGH Absolute Return Trust and EQT Small Companies Fund (collectively "the Funds") dated 21 April 2006 ("PDS"), offering units in the Funds before investing. A person giving access to this application form must, at the same time and by the same means, give access to the PDS and any document which updates the information contained in the PDS. While the PDS is current, EQT will provide on request and without charge a paper copy of the PDS, any document which updates it and the application form to anyone receiving an electronic copy of the PDS. The law prohibits any person passing on to another person this application form unless it is attached to, or accompanied by, a complete and untampered electronic version of the PDS or a print out of it.

I/We have read the PDS to which this application form applies and agree to be bound by the terms and conditions of the PDS and the constitution of the Funds in which I/we have chosen to invest. I/We have detached this application from the PDS and declare that all details are correct. I/We acknowledge that Equity Trustees Limited is not responsible for the delays in receipt of monies caused by the postal service or the applicant's bank. If I/we have provided an e-mail address, I/we consent to receive on-going investor information including PDS information, confirmations of transactions and additional information as applicable, via that method of delivery. I/we received and accepted this offer in Australia. I/we acknowledge that Equity Trustees Limited or The Investment Manager do not guarantee the repayment of capital or the performance of the Funds or any particular rate of return from the Funds.

By signing this application form, I/we acknowledge that I/we have read and understood the PDS and where appropriate have obtained my/our own independent financial investment advice (having regard to the inherently complex nature of these products). If this is a joint application, each of us agrees, unless otherwise indicated on this application, our investment is as joint tenants. Each of us is able to operate the account and bind the other(s) to any transaction including investments, withdrawals by any available method.

I/We acknowledge and agree that where the Responsible Entity, in its sole discretion, determines that:

- I/we are ineligible to hold units in the Funds or have provided misleading information in my/our application form; or
- I/we owe any amounts to EQT or any other person,

I/we appoint the Responsible Entity as my/our agent to submit a withdrawal request on my/our behalf in respect of all or part of my/our units, as the case requires, in the Funds.

### **Authorised signatories for future instructions**

You may specify the way that you wish to sign future instructions in relation to your investment in the Funds.

**These instructions do not apply for your initial application. They will apply to all your existing and future unit holdings in the Funds until such time as you advise EQT in writing to the contrary.**

#### **A. Individual / Joint / Sole Trader** *Please tick one of the following options*

- all unitholders must sign (unless indicated)
- any one unitholder may sign

#### **B. Company**

*Please tick one of the following options*

- one director and company secretary
- two directors

*Please also tick one of the following two options*

- Signed under common seal
- Signed without common seal

#### **C. Trust / Superannuation Fund / Partnership / Charity / Association / Co-operative / Government Body**

*Please tick one of the following options*

- one director and secretary
- two directors
- two executive officers
- two authorised signatories

Please also tick one of the following options

- Signed under common seal  
 Signed without common seal

| Name of applicant | Signature of applicant | Date |
|-------------------|------------------------|------|
|                   |                        |      |

**Capacity (please tick if applicable)**

- Director  Secretary  
 Executive Officer  Authorised Signatory

| Name of applicant | Signature of applicant | Date |
|-------------------|------------------------|------|
|                   |                        |      |

**Capacity (please tick if applicable)**

- Director  Secretary  
 Executive Officer  Authorised Signatory

|                                 |
|---------------------------------|
| Company Seal<br>(If applicable) |
|---------------------------------|

## **Section 18 - Financial Adviser Details and Customer Identification Declaration**

### **Customer Identification Declaration** *(Financial Adviser to complete)*

I confirm that I have completed an appropriate customer identification procedure (CID) on this investor which meets the requirements of the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML/CTF Act). *(Please select the relevant option below):*

- I have attached the verification documents that were used to perform the CID for this investor; **OR**  
 I have not attached the verification documents but will retain them in accordance with the AML/CTF Act and agree to provide EQT or its agents with access to these documents upon request. I also agree that if I become unable to retain the verification documents used for this application in accordance with the requirements of the AML/CTF Act I will forward them to EQT.

I agree to provide EQT or its agents with any other information that they may require to support this application.

| Financial Adviser Name | Financial Adviser Signature | Date |
|------------------------|-----------------------------|------|
|                        |                             |      |

Please also complete the Financial Adviser details section below.

**Section 18 - Financial Adviser Details and Customer Identification Declaration (continued)**

**Financial Adviser Access to Investor information (Investor to complete)**

I/We agree that information relating to my/our investment be supplied to my/our financial adviser.

Please tick this box if you **do not** wish to your financial adviser to have access to information about your investment.

Please also elect if you wish copies of all transaction confirmations to be provided to your financial adviser. *If no election is made copies will not be sent.*

Yes, please send copies of all transaction confirmations to my/our adviser

No, please **DO NOT** send copies of all transaction confirmations to my/our adviser

Please ask your financial adviser (if applicable) to complete these details:

**Adviser details (if a new adviser, please attach a copy of your employee/representative authority)**

|                             |        |          |
|-----------------------------|--------|----------|
| Adviser name                |        |          |
| Business name               |        |          |
| Adviser No. (if applicable) |        |          |
| Street address              |        |          |
| Street address 2            |        |          |
| Suburb                      | State  | Postcode |
| Postal address              |        |          |
| Suburb                      | State  | Postcode |
| Office Phone                | Direct |          |
| Mobile                      | Fax    |          |
| Email                       |        |          |

**Dealer details**

|                            |       |          |
|----------------------------|-------|----------|
| Dealer name                |       |          |
| Dealer No. (if applicable) |       |          |
| Contact person             |       |          |
| AFSL No.                   |       |          |
| ABN                        |       |          |
| Postal address             |       |          |
| Suburb                     | State | Postcode |
| Office Phone               | Fax   |          |
| Email                      |       |          |
| Website                    |       |          |

|              |
|--------------|
| Dealer Stamp |
|--------------|

|             |             |             |
|-------------|-------------|-------------|
| <b>ILGN</b> | <b>ILAN</b> | <b>ILCN</b> |
|-------------|-------------|-------------|

## **Section 19 – Direct Debit Request Form**

|      |             |
|------|-------------|
| Date | Account No. |
|------|-------------|

|                         |
|-------------------------|
| Investor/s name in full |
|-------------------------|

I/We request and authorise Equity Trustees Limited as detailed in Payment Details below, to arrange, through its own financial institution, for any amount Equity Trustees Limited may debit or charge you to be debited through the Bulk Electronic Clearing System from an account held at the financial institution identified below and paid to the Debit User (ID number 225014) subject to the Terms and Conditions (and any further instructions provided below).

### **Bank / Financial Institution Account details**

Insert details of account which is to be debited.

|              |                |
|--------------|----------------|
| Account Name |                |
| BSB Number   | Account Number |
| Bank Name    |                |
| Address      |                |
|              |                |

Direct debiting is not available on the full range of accounts. If in doubt, please refer to your Bank / Financial Institution.

### **Acknowledgement**

By signing this Direct Debit Request you acknowledge having read and understood the terms and conditions governing the debit arrangements between you and Equity Trustees Limited as set out in this Request and the Terms and Conditions.

### **Payment Details for initial or additional investment**

| Fund  | \$ Amount |
|---|-----------|
| EQT SGH Absolute Return Trust (Minimum \$5,000 or \$1,000 for additional investments) |           |
| EQT Small Companies Fund (Minimum \$5,000 or \$1,000 for additional investments)      |           |

### **Payment Details for Regular Investment Plan**

| Fund                          | \$ Amount per month (min. \$100) |
|-------------------------------|----------------------------------|
| EQT SGH Absolute Return Trust |                                  |
| EQT Small Companies Fund      |                                  |

### **Signature and address**

|           |       |          |
|-----------|-------|----------|
| Signature | Date  |          |
| Signature | Date  |          |
| Address1  |       |          |
| Address2  |       |          |
| Suburb    | State | Postcode |

|                             |
|-----------------------------|
| Company Seal(if applicable) |
|-----------------------------|

## **Appendix 1 Persons authorised to certify documents**

- (1) a person who is enrolled on the roll of the Supreme Court of a State or Territory, or the High Court of Australia, as a legal practitioner (however described);
- (2) a judge of a court;
- (3) a magistrate;
- (4) a chief executive officer of a Commonwealth court;
- (5) a registrar or deputy registrar of a court;
- (6) a Justice of the Peace;
- (7) a notary public (for the purposes of the *Statutory Declaration Regulations 1993*);
- (8) a police officer;
- (9) an agent of the Australian Postal Corporation who is in charge of an office supplying postal services to the public;
- (10) a permanent employee of the Australian Postal Corporation with 2 or more years of continuous service who is employed in an office supplying postal services to the public;
- (11) an Australian consular officer or an Australian diplomatic officer (within the meaning of the *Consular Fees Act 1955*);
- (12) an officer with 2 or more continuous years of service with one or more financial institutions (for the purposes of the *Statutory Declaration Regulations 1993*);
- (13) a finance company officer with 2 or more continuous years of service with one or more finance companies (for the purposes of the *Statutory Declaration Regulations 1993*);
- (14) an officer with, or authorised representative of, a holder of an Australian financial services licence, having 2 or more continuous years of service with one or more licensees.
- (15) a member of the Institute of Chartered Accountants in Australia, CPA Australia or the National Institute of Accountants with 2 or more years of continuous membership.

## **Appendix 2 Checklist**

- Have you completed your details under your investor type?
- Have you provided certified copies of your identification documents or has your financial adviser completed Section 18?
- Have you completed all relevant details and signed the application form?
- Once you have completed the above send the application form to the unit registry contact details provided in the PDS.

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