



The ARA Investment Fund

ARSN 104 232 448

Product Disclosure Statement No. 6

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Important Notice

The information in this PDS is up to date at the time of publication. However, some of the information may change from time to time. If the change is not materially adverse, you can find out about it by requesting it from ARA. We are also obliged to give you further information which has previously been made or is generally available to the public and might reasonably influence your decision whether or not to acquire or continue to hold this product. You will not be charged for any of this information.

About this Product Disclosure Statement (PDS)

ARA Consultants Limited ABN 78 102 304 692, AFSL 224150 has prepared this PDS in its capacity as Responsible Entity and issuer of interests in the Fund. The information contained in this PDS has been prepared without taking account of your objectives, financial situation or needs. Before you act on the information contained within this PDS, you should consider its appropriateness having regard to your financial situation, needs, and objectives.

Eligibility

The offer made in this PDS is available only to persons receiving this PDS (electronically or otherwise) within Australia. Applications from outside Australia will not be accepted.

To invest in the fund an individual must be 18 years or older. However, parents may hold interests for dependent children as guardian or trustee.

Updated Information

Information in this PDS is subject to change from time to time. You will be informed by ARA if the performance of an Investment Option or the size i.e. the value of an Investment Option changes materially from the information in this PDS and that change is detrimental to investors.

Contents

Welcome	
Welcome	3
Terms Used in this PDS	4
At a Glance	5
To keep you up to date we provide:	5
About The ARA Investment Fund	5
Structure of The ARA Investment Fund	7
Risks Associated with the Fund	10
Fees and Other Costs	13
Additional Explanation of Fees and Costs	15
Investing in the Fund	19
Taxation Information	22
Other Information You Should Know	25

Important Notes

This Product Disclosure Statement No. 6 ('PDS') is an important document and you should read it carefully before you decide to invest in The ARA Investment Fund ('the Fund'). This PDS will help you:

- understand the risks, benefits and fees of the product;
- decide whether this product will meet your needs; and
- compare this product with another product you may be considering.

This PDS was prepared and issued by ARA Consultants Limited ABN 78 102 304 692 ('ARA') the holder of AFS Licence No. 224150 and the Responsible Entity of the Fund offered for investment in this PDS (ARSN 104 232 448).

ARA has appointed National Australia Bank Limited ABN 12 004 044 937 the holder of AFS Licence No. 230686 to act as the Custodian of the assets of the Fund ('the Custodian'). ARA, the Custodian, and their related entities do not guarantee the return of capital or the performance of the Fund.

Investment in the Fund is subject to investment risk including possible delays in repayment and loss of income and capital invested. The information contained in this PDS is of a general nature only and does not take into account the investment objectives, financial situation, and specific needs of any prospective investors. Investors should consider the suitability of this investment having regard to their financial position and investment objectives and should seek advice from a licensed financial adviser before making an investment.

No person is authorised to give any information or to make any representation in connection with the offer of units on behalf of ARA that is not contained in this PDS. Any information or representation that is not in this PDS may not be relied upon as having been authorised by ARA, or the Custodian, or their related entities, directors, or officers.

All dollar amounts in this PDS are quoted in Australian dollars. Some technical and legal terms used in this PDS have defined meanings which are set out in the Glossary on page 4.

Welcome

ARA Consultants Limited is proud to present to you The ARA Investment Fund.

ARA is a specialist financial planning business, and has developed the Fund as its means of delivering efficient and effective investment portfolio administration to its clients. The Fund is intended for the exclusive use of clients of ARA and its associates, and is not intended to be marketed to the wider audience of financial planning firms, master fund operators, or other institutions. In relation to the Fund, we act as the Responsible Entity.

The Fund is designed to be a simple, but flexible, investment vehicle. It is understood that your unique financial planning requirements have been attended to by your ARA financial planner. The Fund aims to provide a clear focus on quality of investment, flexibility, and reliable administration, without distraction.

The Fund accommodates risk takers and the risk averse, from the do-it-yourself superannuation fund to the passive wealth accumulator. We have achieved this by constructing a small number of Investment Options of widely varying character, and providing investors, in conjunction with their planner, with flexibility to tailor the right combination for themselves. In this way, we offer great flexibility, with administrative simplicity. And, importantly, a straightforward and understandable solution.

The future of our business rests with how well this Fund looks after your money. Furthermore, ARA staff members have committed their own savings to the Fund. It is therefore not hollow hype to say that we will treat your investment with as much respect as if it were our own.

Our sincere thanks for the opportunity to do so.

On behalf of all at ARA Consultants Limited,

Yours sincerely



Alan Rimmer
Managing Director
ARA Consultants Limited

Terms Used in this PDS

Agribusiness	A business that earns most of its revenues from agriculture. (Some managed investment schemes in which the Fund may have an interest invest exclusively in agribusiness.)
ARA, we, us, or our	ARA Consultants Limited.
ASIC	Australian Securities and Investments Commission.
Compliance Plan	The Compliance Plan for the Fund registered with ASIC as amended from time to time (see page 25).
Constitution	The Deed Poll by which the Fund was established dated 27 March 2003 as amended from time to time (see page 25).
Corporations Act	The Corporations Act 2001 as amended from time to time.
Custodian	National Australia Bank Limited.
Financial Year	12 months ending on each 30 June.
Fund	The ARA Investment Fund.
Fund Manager	Persons or entities engaged by the Responsible Entity to invest and manage certain assets of the Fund.
Hedge Fund	An aggressively managed portfolio of investments that uses sophisticated and risk investment strategies such as leveraged, long, short and derivative positions with its investments, with the goal of producing high returns. (Some of the underlying investments into which the Fund invests may be hedge funds.)
Investor	A person who invests in The ARA Investment Fund and becomes a unitholder.
Private Equity	Private equity as it is widely known, i.e. usually a controlling interest in a private company and typically including board representation in order to 'remake' the business, usually in readiness for an IPO.
Product Disclosure Statement	This Product Disclosure Statement No. 6 and the term 'PDS' where used throughout this document shall have a corresponding meaning.
Responsible Entity	ARA Consultants Limited.
Short-sell	The selling of a security that the seller does not own. This strategy requires the security to drop in value for the short-seller to make money, as the goal is to buy the security back at a price lower than it was sold for. (Some of the underlying investments into which the Fund invests may use short-selling.)
Statement of Advice	A document that your adviser is required by law to give you when providing personal advice in relation to a financial product, such as the Fund or the Investment Options of the Fund.
Tax Act	The Income Tax Assessment Act 1936 incorporating the Income Tax Assessment Act 1997.
Unit	An interest allocated to you under the Fund in consideration for your investment monies.
Valuation Day	Friday each week or such other day or days in any particular week as the Responsible Entity may determine from time to time.

At a Glance

An overview of the main features of the fund.

The ARA Investment Fund is a managed investment scheme regulated under the Corporations Act 2001 and registered with ASIC. Some of the main features of the Fund are summarised below.

Investment Options	There are three Investment Options from which you can choose. You may invest in any or all of these Options in any combination.
Investment Switching	You may alter your Investment Options as frequently as you wish. ARA reserves the right to refuse any request for a switch.
Investment of the Fund	The Fund invests in a range of direct investments and engages a number of fund managers at wholesale or individually negotiated management fee rates where possible. Monies can be invested in, withdrawn from, or transferred between the underlying investments of the Fund at the direction of ARA within the terms of the Fund's investment strategy, without notice.
Fees and Other Costs	<p>The details of the fees and other costs of operating and managing the Fund are described in the tables and examples set out on pages 13-18).</p> <p>Please note that there are no establishment, contribution, withdrawal or termination fees currently charged in respect of any monies invested in the Fund.</p> <p>There is also no fee charged for switching between any of the Investment Options offered by the Fund.</p>
Minimum Investment and Withdrawal Amount	There are no minimum amounts specified for initial or subsequent deposits or for withdrawals from the Fund, although at some time in the future ARA may as permitted by the Fund's Constitution set such minimum amounts.

To keep you up to date we provide:

- Transaction confirmations
- Regular statements
- Annual reports
- Online access to up-to-date account balances
- Taxation statements

About The ARA Investment Fund

The ARA Investment Fund is a unit trust. The Fund pools your money with the monies of other investors and invests those monies in some direct investments and with selected professional fund managers in accordance with the strategies and objectives that have been set for the Fund.

When you invest in the Fund, you will be allocated a number of units, based on the value of the Fund's assets at the time of purchase. The value of those units will fluctuate according to the movement in the market value of the underlying investment assets (such as shares and other securities), and in line with the receipt of income (including dividends, interest payments, and capital gains, where relevant) from the Fund's investments. For further information about the allocation and valuation of units, see page 19-20.

What you get is an interest in the trust (Fund). The Custodian hold your interests in trust for you. You do not obtain a direct interest in the underlying investments of the Fund that make up each of the Investment Options. The Fund itself holds those interests on behalf of the Unit holders. While you can choose between Investment Options you cannot direct us as to what the underlying assets of the Fund are to be. We, as the Responsible Entity, make those investment choices.

As an investor, you therefore stand to benefit through:

- gaining exposure to a wider spread of assets than is usually available to an individual investor;
- the expertise of the chosen fund managers; and
- potential cost savings through volume related savings on expenses such as brokerage, access to funds management at wholesale rates, and the volume related rebates which may apply through pooling your investments in the one vehicle.

As the Responsible Entity, our role is to:

- set the investment strategies and objectives for the Fund and monitor, review and adjust those strategies and objectives as we see fit for the benefit of investors;
- properly administer and manage the Fund for investors;
- report to investors on a regular basis; and
- ensure the Fund complies with all statutory obligations in respect of investors' entitlements, reporting, etc.

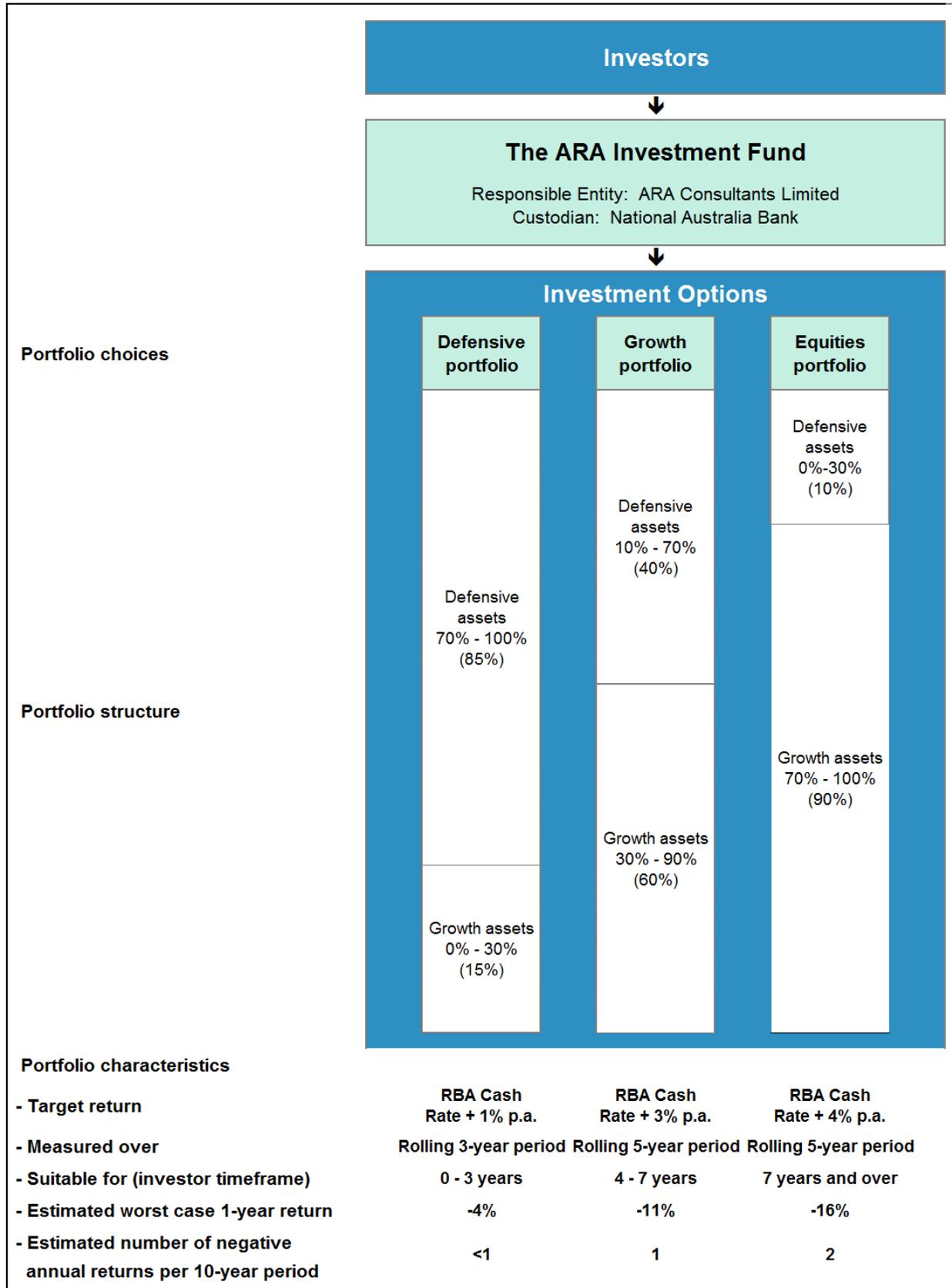
In carrying out our duties, we are subject to the Fund's Constitution and the Corporations Act and must:

- act honestly and in the best interests of unitholders;
- exercise due care and diligence; and
- treat unitholders equally.

Under the terms of its Australian Financial Services Licence, ARA is required to appoint a Custodian to hold the assets of the Fund and has appointed National Australia Bank Limited ABN 12 004 044 937 and the holder of Australian Financial Services Licence No. 230686 to fulfil that role.

ARA and the Custodian are not related entities.

Structure of The ARA Investment Fund



Range of Investment Options

The Fund offers three Investment Options with different risk profiles and potential returns. You can invest in any of these Options or a combination of Options.

Generally, the greater the potential return the greater the risk. This could perhaps be re-phrased by saying that investments offering a low rate of return generally fluctuate less in value, and carry a lesser probability of total and permanent loss of money, than do investments which offer a higher potential rate of return.

The lower risk, or “**Defensive**”, investments in this context includes bank deposits, fixed-term annuities supported by life office guarantees, and high grade interest-bearing deposits and securities.

Higher risk, or “**Growth**”, investments include shares in Australian or International businesses – including those listed on stock exchanges or privately-owned (“Private Equity”) – as well as property, infrastructure assets and hedge funds.

Astute investors can reduce the risk of outright loss by a variety of measures, including spreading their risk over many assets and investment markets, and by the techniques they employ to research their investments before committing hard-earned funds to them.

The Fund’s Investment Options vary in their relative exposure to Defensive and Growth assets (see above Chart), and in so doing target varying characteristics of risk and potential return.

More detailed information about the strategy and objectives of each Investment Option (including risks associated with each Option) is contained on pages 8-12.

ARA, in its role as Responsible Entity of the Fund, regularly researches and reviews investment products and fund managers and their performance. The underlying investments of any particular Investment Option therefore change from time to time in pursuit of the relevant investment objectives.

Defensive Portfolio

This is a conservative investment portfolio that targets a return that exceeds the Reserve Bank of Australia cash rate by at least 1% p.a., with the risk of a negative annual return less than once in a 10 year period.

The majority of the portfolio’s assets, typically around 85%, are invested in bank deposits or investments of a high degree of security. The remainder may be invested in growth assets such as shares listed on stock exchanges, and may also include unlisted, interest bearing and international securities and alternative assets including direct property and hedge funds.

This option suits investors whose timeframe is relatively short, say up to three years, or who have low tolerance to fluctuation in the value of their investment.

Growth Portfolio

This is a balanced investment portfolio that aims to provide a return that exceeds the Reserve Bank of Australia cash rate by at least 3% p.a. over rolling periods of five years or more. There may be instances of negative annual returns from time to time, but instances of negative returns are expected to occur approximately only once in a 10 year period.

Typically, about 40% of the portfolio’s assets will be invested in bank deposits or investments offering a high degree of security. The remainder may be invested in growth assets such as shares listed on stock exchanges, and may also include unlisted, interest bearing and international securities, infrastructure, private equity and alternative assets including direct property and hedge funds.

This option suits investors with a medium-term timeframe, say four to seven years, and/or who have a moderate tolerance to fluctuation in the value of their investment.

Equities

This portfolio is designed for long term investors, targeting a return that exceeds the Reserve Bank of Australia's cash rate by at least 4%. However, capital value may fluctuate considerably in the short term. There may be instances of negative annual returns from time to time, approximately twice in a 10 year period.

Typically, about 5-10% of the portfolio's assets will be invested in bank deposits or investments offering a high degree of security. The remainder may be invested in growth assets such as shares listed on stock exchanges, and may also include unlisted, interest bearing and international securities, infrastructure, private equity and alternative assets including direct property and hedge funds.

This option suits investors with a long-term timeframe and a high tolerance to short term fluctuation in the value of their portfolio, in the pursuit of an attractive long term return.

Summary

Investment Option	Return Expectation	Volatility	Timeframe
Defensive portfolio	Low	Low	0-3 years plus
Growth portfolio	Medium	Medium	4-7 years plus
Equities portfolio	High	High	7 years plus

Changes to the Investment Approach

Subject to the Constitution and to the discretion of ARA, the investment approach for the Fund as referred to in this PDS may be changed from time to time, but reasonable notice will be given to you if that approach is to be materially altered.

Switching between Investment Options

Investors can choose any one or more or all of the three Investment Options in any proportion, and are able to move funds between them at any time. There is no fee charged for switching between Investment Options. In order to switch, you will need to advise ARA in writing of your desired change and your intended new portfolio structure. You should consider seeking advice from your adviser on any changes to your portfolio structure.

To effect the switch, we will redeem sufficient units in the Investment Option(s) you are switching from to make up the requested amount, based on the unit price which applies at the time. This amount will then be used to purchase units in the Investment Option(s) you are switching to, based on the unit price which applies on the same date.

Please note however that switching between Investment Options constitutes a sale of the units in the Investment Option being redeemed, and depending upon your individual circumstances may result in you becoming liable to pay capital gains tax (see page 22-24).

ARA reserves the right to refuse any request for a switch. Also, please note that occasionally certain underlying investments within our Investment Options may freeze redemptions for various reasons and for varying timeframes. When this happens, we will not be able to action the portion of your switch request that relates to the frozen fund until redemptions in the relevant investment are no longer frozen.

Specific investments held by the various Investment Options will frequently change as the Fund is actively and continuously managed on behalf of investors. The ranges shown in the above chart are the expected minimum and maximum allocations that have been set for each Investment Option while the figures in brackets are the typical benchmarks.

You can obtain updated information about the asset allocations in writing, upon request to ARA, free of charge. See contact details on the inside front cover of this PDS.

Past Investment Performance

Set out in the table below are details of the past performance for each of the Investment Options (after fees and charges and assuming reinvestment of distributions) up to 30 June 2017:

Period to 30 June 2017	Defensive Portfolio	Growth Portfolio	Equities Portfolio
1 Year	4.1%	6.8%	7.1%
3 Years	4.5% p.a.	7.6% p.a.	6.8% p.a.
5 years	5.1% p.a.	8.1% p.a.	9.4% p.a.
10 years	3.3% p.a.	4.0% p.a.	3.2% p.a.
Since inception*	5.0% p.a.	6.3 % p.a.	7.0% p.a.

**Inception date for Defensive and Growth portfolios April 2003. Inception date for Equities portfolio August 2003. Please note that past returns are just that – the fact that they have been achieved does not mean that they will be achieved again. Returns are volatile and may go up and down significantly and sometimes quickly.*

Note also that historically each portfolio has operated within different asset allocations to those which have been introduced with this PDS, i.e. historically, the Defensive portfolio has operated within a range of 40% to 100% cash and Tier 1 fixed interest (with a typical benchmark of 70%) and listed securities and unlisted investments having a range of 0% to 40% (with a typical benchmark of 30%). The Growth portfolio operated within the range of 15% to 40% (with a 30% typical benchmark) for cash and Tier 1 fixed interest, with listed securities making up 15% to 50% (with a 40% typical benchmark) and unlisted investments being 20% to 45% (with a 30% typical benchmark). The Equities portfolio historically operated with a range of cash and Tier 1 fixed interest of 0% to 25% (with a 5% typical benchmark) with listed securities between 40% and 80% (with a typical benchmark of 65%) and unlisted investments of 20% to 45% (with a 30% typical benchmark). From the inception of this PDS, each portfolio operates within a greater range now and also has benchmarks with higher defensive components. This is one of a number of reasons why past returns should not be relied on as being indicative of future returns for each portfolio.

Labour Standards, Environmental, Social, and Ethical Considerations

We do not take into account labour standards or environmental, social, or ethical considerations in our investment decisions. However, underlying fund managers may do so.

Risks Associated with the Fund

All investments are subject to varying risks and generally all go down as well as up in value (i.e. you can experience investment gains or investment losses). Investment risk can be minimised but it cannot be eliminated.

There are also risks in choosing particular Investment Options – all investments are subject to risk and generally, all change in value. Different asset classes perform differently at different times.

Since each Investment Option has a different investment mix, the risks of investing in each Investment Option are different.

The sources and types of investment risk are many and varied. Some or all of the following may apply to the Investment Options available in the Fund.

Market Risk

Market risk is the risk that events may occur which have a negative effect on the prices of all types of investment within a particular market, for example, the stock market for shares or the bond market for fixed interest securities. These events may include changes in economic, social, technical, political, legal, taxation or accounting conditions, as well as market sentiment. These factors can affect both Australian and international markets and in particular less developed financial markets.

Movements in investment markets will result in the value of the Fund's underlying assets, and the value of your investment moving up or down. In addition, as the Fund re-values its unit prices only weekly and it can typically take up to up to 5 business days (see the section 'How Do I Withdraw My Investment' on page 19) for partial redemption of units in the Fund. There is a risk that you will suffer adverse market movement between the time you provide us with redemption instructions and when your units are redeemed.

Investment Specific Risk

This is the risk that a single asset or concentrated investments made by the Fund, for example an investment in a particular company's shares or a specific portfolio, could have a significant adverse affect upon the overall performance of the Fund. Also, some types of investments have greater risks than others, e.g. agribusiness is particularly reliant on favourable tax treatment. Tax rules can change and disadvantage you whereas hedge funds rely on risky investment strategies such as short-selling to achieve returns.

Country Risk

As the Fund has the capacity to be exposed to businesses that have some proportion of their operations outside Australia, some investments will be subject to country risk. In assessing country risk, it is appropriate that investors should be aware of the potential impact on asset prices of political and sovereign risk, expropriation, and regulatory differences in enforcement of contracts especially in those countries where there is a less robust regulatory and investor protection network. Socio-economic issues, including cultural differences and attitudes to foreign ownership, may also impact on asset price.

Currency Risk

Investment in international markets usually involves currency risk. Currency risk is the potential for adverse movements in exchange rates to reduce the Australian dollar value of international investments. For example, if the Australian dollar falls, the value of international investments expressed in Australian dollars can increase, if the Australian dollar rises, the value of international investments can decrease.

In order to protect the Fund from the risk of the effects of currency fluctuation, where it is considered appropriate, investments in businesses with operations outside Australia may be fully or partially hedged. We use hedging only to manage risk and not for speculative purposes. In the case of currency risk this involves taking an offsetting position to manage the risk of adverse currency movements.

Gearing Risk

Gearing involves borrowing money to increase the amount that can be invested. This is a high-risk investment strategy because, while it can bring about higher gains in a rising market, losses can be magnified in a falling market. Also, the borrowing costs can eat into the returns. Some underlying funds that the Fund invests into may use gearing as a strategy. However, the Fund itself does not use gearing as an investment strategy.

Interest Rate Risk

Changes in interest rates can have a positive or negative impact directly or indirectly on investment value and returns. Interest rates can change due to a variety of reasons, including government policy and the outlook for inflation. For example, the cost of a company's borrowing can increase or decrease or the interest return on a fixed interest security can make it more or less favourable.

Liquidity Risk

Liquidity risk is the extent to which investments can be converted into cash or other liquid securities without suffering a substantial reduction in value. This risk may arise in circumstances where in order to liquidate an asset quickly, it may be necessary to sell that asset at a substantial discount and so have a negative impact on the overall performance of the Fund. Some unlisted investments such as property and private equity are inherently less liquid than investments such as listed securities. Also, the Responsible Entity and some fund managers have powers under the relevant constitutions to suspend redemptions for a variety of reasons. E.g. The Responsible Entity or the fund manager of an underlying investment may not redeem units if the fund is illiquid.

Manager Risk

This is the risk that a fund manager engaged to manage a portfolio of assets on behalf of the Fund may not meet its performance objectives. E.g. if the fund manager suffers an unexpected loss of key personnel the consequences of this could have a negative impact upon the performance of those assets within the Fund. The Fund attempts to reduce this risk by employing a variety of different fund managers to ensure that the manager risk is diversified and by regularly reviewing the performance of all underlying funds and fund managers.

Credit Risk

This is the risk that a party to a contract connected with the Fund will fail to perform its contractual obligations, resulting in financial loss.

Other Risks

The list is by no means exhaustive. Other possible influences include natural disasters, new technology, war, and acts of terror. Clearly, these are beyond the control of ARA, the Fund or the fund managers employed.

While ARA applies sound investment and risk management principles to the operation of the Fund by investing in a manner which recognises and attempts to control the risks, investors should carefully consider the risk factors in making their investment choices with their professional advisers.

ARA, the Custodian, and their related entities **do not** guarantee the return of capital or the performance of the Fund. You should be aware that if you withdraw from the Fund or withdraw any monies from any one or more of the Investment Options within a few years after having become an investor, you may get back less than the amount you have invested because of the level of returns earned by each Investment Option in which you have invested (including negative returns) and the Fund's fees and other costs.

Fees and Other Costs

Consumer Advisory Warning

This Consumer Advisory Warning is required under Australian law. However, for specific information about fees and other costs applicable to the Fund please see below on pages 13-18.

DID YOU KNOW?

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

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

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

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

TO FIND OUT MORE

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

*The Fund does not charge contribution fees. It does charge a management cost but this cost is not negotiable. Rebates may apply. See pages 15-17 for more information.

Fees and Other Costs

This document 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 assets of the managed investment scheme as a whole.

Taxation information is set out in another section of this PDS (see pages 22-24). Information about Goods and Services Tax ('GST') is set out on page 24 of this PDS. Unless otherwise stated, fees and other costs disclosed in this section are inclusive of the net effect of GST, if applicable (that is, including any Reduced Input Tax Credits if applicable).

Fees and costs for particular Investment Options are set out on page 13-15.

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

The ARA Investment Fund		
TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
Fees when your money moves in or out of the Fund		
<i>Establishment fee</i> The fee to open your Investment	Nil	Not Applicable
<i>Contribution fee</i> The fee on each amount contributed to your investment	Nil	Not Applicable
<i>Withdrawal fee</i> The fee on each amount you take out of your investment	Nil	Not Applicable
<i>Exit fee</i> The fee to close your Investment	Nil	Not Applicable

TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
Management Costs The fees and costs for managing your investment. ^{1 2}	Defensive portfolio: 1.44% p.a. Growth portfolio: 1.94% p.a. Equities portfolio: 2.23 % p.a. The percentage you pay may be lower if you qualify for the management fee rebate. (See page15) (Note that some underlying funds may be entitled to receive 'performance fees'. See under 'Additional Explanation of Fees and Charges' for an explanation.)	This fee, which is an estimate, is taken into account when calculating the weekly unit prices for the Fund that determines the value of your account balance.
Service Fees		
<i>Investment Switching fee</i> The fee for changing Investment Options	Nil	Not Applicable

Example of Annual Fees and Costs for the balanced investment option or other investment option ³

The table below gives an example of how the fees and costs in ARA's equivalent of a balanced portfolio (being the Growth Portfolio) for this managed investment product can affect your investment over a one-year period. You should use this table to compare this product with other managed investment products.

EXAMPLE – Growth Portfolio	BALANCE OF \$50,000 WITH CONTRIBUTION OF \$5,000 DURING YEAR	
Contribution Fees	Nil	For every additional \$5,000 you put in, you will be charged \$0.
PLUS Management Costs	Estimated 1.94% p.a.	And, for every \$50,000 you have in the Growth Portfolio you will be charged \$970.00 each year.
EQUALS Cost of Fund		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year you would be charged fees of: <p style="text-align: center;">\$970.00⁴</p> What it costs you will depend on the Investment Options you choose.⁵

¹ The estimated Management Costs shown for each of the three Investment Options are based on the historical experience of the Fund and will vary according to the mix of investments held by the respective Options at any time. Estimates are based on the investments held by each portfolio as at July 31, 2017. For more information, see 'Additional information about Management Costs' below in the section headed 'Additional Explanation of Fees and Costs'.

² For an explanation of how the Management Costs are affected by rebates see 'Management Fee Rebates' on pages 15-17 of the section headed 'Additional Explanation of Fees and Costs' for more information.

³ Under Australian law an example must be given to you based on a balanced investment option (that is, an investment option in which the ratio of investment in growth assets, such as shares and property, to defensive assets such as cash or bonds, is as close as practicable to 70:30). This Fund does not have a balanced investment option. The Growth Portfolio is currently the Investment Option closest to a balanced option.

⁴ Australian Law generally requires that in the above example this cost should be calculated using an account balance of \$50,000, the objective being to demonstrate the estimated cost per annum of each \$50,000 that you have invested in the Fund (i.e. any additional amounts invested during the year are ignored for the purpose of this calculation). It assumes, also, that your investment amount remains the same during the year. Of course, your investment account balance can change during the year as a result of additional investments, withdrawals, and other transactions being made.

⁵ You cannot negotiate the Management Costs with the Fund or your ARA adviser. Rebates of the Management Fee of up to 0.9% p.a. are available to an individual investor and family group investors who invest \$500,000 or more with the Responsible Entity. Rebates are not available to related bodies corporate of the fund as defined in Section 50 of Corporations Act. See under the heading 'Management Fee Rebates' for more information regarding rebates. The amount of fees you pay will be affected by fluctuations in your account balance (as determined by weekly unit prices). Management Fee rebates may apply.

Additional Explanation of Fees and Costs

For information relating to taxation and the way in which taxation may impact upon your investment in the Fund please see 'Taxation Information' on pages 22-24. Where applicable, fees and costs are calculated to allow for any reduced input tax credits.

Additional Information About Management Costs

Described below are some of the costs which are taken into account when calculating the Management Costs of the Fund (i.e. these amounts are included in the Management Costs shown on page 14. They are not additional costs.):

- a fee ('Management Fee') paid to ARA in its capacity as Responsible Entity of the Fund equal to 1.13% p.a. (\$11.30 for each \$1,000 invested), in relation to which you may qualify for a partial rebate (see 'Management Fee Rebates');
- costs for which ARA is entitled to be reimbursed for its day to day management of the Fund. These costs can vary from year to year and are estimated to be 0.10% p.a. subject to a maximum of 0.205% p.a. of the balance in your investment account from time to time (between \$1.00 p.a. and a maximum of \$2.05 p.a. for each \$1,000 invested). ARA has the power to increase fees up to the limits allowed under the Fund's Constitution and to obtain reimbursement of all management costs. We are required to notify you beforehand if we were to do so.
- investment costs payable to underlying fund managers for their investment services (additional performance fees may also apply – see below). These costs vary from year to year and are estimated to be as follows:

Investment Option	Estimated Cost
Defensive portfolio	0.21% p.a.
Growth portfolio	0.71% p.a.
Equities portfolio	1.00% p.a.

- Investment performance fees. Some of the underlying fund managers are entitled to receive performance fees for achieving rates of return in excess of defined benchmarks. These fees are not paid directly by you but will reduce the value of your investment if charged. Not all underlying funds are entitled to charge performance fees and of those that can they may have different benchmarks to meet before being entitled to charge the performance fee as well as different methods of calculating the performance fee. Typically, however, a performance fee will be expressed as a percentage of a fund's outperformance of its relevant benchmark over a period of time.

The impact of a performance fee (if any) will vary depending on the performance of the underlying fund and the value of any investment you have in the underlying fund as a portion of your overall investment in the Fund. You should also bear in mind that the outperformance which gives rise to the performance fee will be reflected in higher unit prices for your units.

An example of how a performance fee can work: a manager of an underlying fund is entitled to a performance fee of 20% of the return in excess of 8% per annum. If the manager achieves a 10% return, their performance fee is 20%, i.e. 20% of 2% (10-8) = 0.4% at the end of the year. This performance fee is calculated and comes from the managers investment pool before the return is declared to investors.

Management Fee Rebates

The Management Fee referred to above will be charged throughout each financial year. However, you may qualify for a partial rebate of the Management Fee the eligibility for which depends upon the size of your investment in the Fund (i.e. the sum of your account balances in the Fund). Rebates of up to 0.9% p.a. are available to an individual investor and family group investors who invest \$500,000 or more with the Responsible Entity. Rebates are not available to related bodies corporate of the fund as defined in Section 50 of Corporations Act.

Where payable, the rebate will reduce the Management Fee which ARA receives as the Responsible Entity of the Fund and so reduce the Management Costs you pay.

The Management Fee Rebate is calculated and credited to investors' accounts using the unit prices struck on the final day of August, November, February, and May in each year where those days fall on a Friday. If in a particular year, the final day does not fall on a Friday, then the rebate will be calculated and credited to investors' accounts using the unit prices struck on the Friday immediately following the final day.

In order to qualify for a rebate, you must be an investor of the Fund on the day at the end of the relevant quarter upon which the unit prices are struck ('qualifying day'), and if you are an individual natural person investor and not a member of an investor group, the sum of all of your account balances in the Fund must be greater than \$500,000.

The rebate only applies to the amounts described above that are on the qualifying day in excess of \$500,000 ('qualifying account balance').

For the purposes of the Management Fee Rebate an 'investor group' means

- a family group comprising:
 - a married couple;
 - a married couple and their financially dependent children;
 - a couple living together in a de facto relationship (whether of the same or opposite gender);
 - a couple living together in a de facto relationship (whether of the same or opposite gender) and their financially dependent children; or
 - a sole parent and his/her financially dependent children; and
 - such other investor groups the composition of which ARA may determine from time to time is appropriate for the purposes of qualification for the Management Fee Rebate.

The rebate is allocated on each qualifying day and calculated by applying the difference between the Management Fee of 1.13% p.a. and a percentage determined according to the value of each qualifying account balance.

The table below shows the threshold amounts to which the rebate is applied and the amount of rebate payable.

Investment Account Balance	Percentage Rebate	Dollar Amount of Rebate
*\$500,000 or less	Nil	Nil
*On any amount over \$500,000 but not more than \$1,000,000	0.55% p.a.	\$5.50 p.a. for each \$1,000 invested.
*On any amount over \$1,000,000	0.99% p.a.	\$9.90 p.a. for each \$1,000 invested.

***Notes:**

- (i) The Responsible Entity is able to increase the rebate thresholds as shown in the above table each 1 July in accordance with the Consumer Price Index ('CPI').
- (ii) The Management Fee Rebates will be credited to each qualifying investor's account in the form of additional units. However, where any units are allocated to a number of different accounts (e.g. in the case of a family investor group or a natural person individual investor who has more than one investor account) those units will be allocated proportionately between the relevant accounts.

Example of Calculation of the Management Fee Rebates

Example No. 1 – Management Fee for Individual Investor with Rebate

If the investor's account balance in the Example on page 16 had been \$600,000 for the full year, then the estimated Management Fee Rebate which the investor would have received for that year will be calculated as follows:

Threshold and Management Fee percentage	Dollar fee
The Management Fee at 1.13% p.a. of \$600,000	\$6,780.00
Less rebate: 0.55% of \$100,000 (i.e. \$600,000 - \$500,000)	<u>\$550.00</u>
Estimated Management Fee payable for the year	<u>\$6,230.00</u>

The partial rebate of \$550 would be allocated to the investor's account balance in the form of additional units.

Example No. 2 – Investor Group Rebates

If three investors in the Fund comprise say a husband, his wife, and a dependent child, then those individuals will qualify as an investor group for the purpose of determining their eligibility for Management Fee Rebates.

If for example each investor has only one account and the balance in each of those accounts for a full year was as follows:

Husband: \$400,000
Wife: \$300,000
Child: \$50,000

then individually none of those accounts would qualify for a partial rebate. However, because they are an investor group and the sum of their balances is \$750,000 (i.e. in excess of \$500,000), then in total they would qualify for an estimated account balance rebate calculated as follows:

Threshold and Management Fee percentage	Dollar fee
The Management Fee at 1.13% p.a. of \$750,000	\$8,475.00
Less rebate: 0.55% of \$250,000 (i.e. \$750,000 - \$500,000) Management	<u>\$1,375.00</u>
Fee payable for the year	<u>\$7,100.00</u>

The partial rebate of \$1,375 would be allocated proportionately to each investor's account as follows:

Husband: \$733
Wife: \$550
Child: \$92

The above amounts would be credited to each investor's account in the form of additional units.

When you have been provided with personal advice, details of the above fees and other costs and benefits will be disclosed to you by your ARA adviser in a Statement of Advice, before you apply to become an investor in the Fund.

Commissions

ARA does not pay commissions to third parties who refer clients to ARA and who subsequently invest in the Fund.

Also, ARA does not receive any commissions in respect of any investments you may make in the Fund, however, should commission be payable to ARA on any investment that the Fund makes on behalf of investors, ARA rebates it to the Fund immediately upon receipt.

Increases and Alterations in Fees and Charges

Apart from some increases in the Management Fee Rebate thresholds that may be made in line with CPI (see page 16) and increases that may occur due to variations in the Management Costs from time to time because certain components may be estimates, we do not intend to increase the fees and costs described in this PDS.

However, circumstances may arise (e.g. economic conditions or changes in legislation) where we may have to introduce additional fees or increase existing fees and other costs. We will give you three months' notice of any proposed changes. This will provide you with time to withdraw if you wish to do so. That period of notice will not apply where increases in fees are as the result of an increase in the current rate of GST (see below).

We cannot charge more than we are permitted to do by the Constitution (to change the Constitution in this way will require us to obtain the approval of investors). As Responsible Entity of the Fund, ARA can reimburse itself for costs or expenses incurred by the Fund including expenses associated with the administration and the investment of the assets of the Fund. The Constitution also allows the Responsible Entity to impose fees for its services up to the following limits:

- contribution fees equal to the greater of \$102.50 and 2.56% of contributions (the Responsible Entity does not currently charge investors contribution fees);
- a charge for redeeming units in the Fund equal to the greater of \$100 and 2.5% of value of the redemption amount in respect of the units being redeemed calculated in accordance with the Constitution (the Responsible Entity does not currently impose a redemption charge);

- a Management Fee of up to 2.15% p.a. (the Responsible Entity currently charges investors a Management Fee of 1.13% p.a., this is built into the Management Costs shown on page 14);
- a switching fee equal to the greater of \$102.50 per switch and 2.56% of the amount being switched calculated in accordance with the Constitution (the Responsible Entity does not currently charge investors a switching fee); and
- a cheque dishonour fee of \$110 per cheque (the Responsible Entity does not currently charge investors a cheque dishonour fee). However, we reserve the right to pass on any bank dishonour fee incurred to the client.

If any of the above fees that are expressed as dollar amounts are introduced at some time in the future, the Constitution provides for each such fee to be increased on 1 July each year in accordance with the CPI.

The Responsible Entity may also be indemnified from the Fund for other liabilities it properly incurs. Such indemnity is not subject to the limits specified above.

Investing in the Fund

How to Make Your Initial Investment

Your initial application for units must be made on an Application Form issued with or accompanying this PDS. Attached to the Application Form are detailed instructions for its completion. If you need assistance in completing the Application Form, please speak to your ARA adviser.

How to Make an Additional Investment

You can make an additional investment at any time by any of the following methods:

- complete another Application Form;
- forward a written instruction together with your cheque or Electronic Funds Transfer (EFT) to us advising the amount that you want to invest and the manner in which you want your additional investment to be apportioned between the Investment Options; or
- complete an 'Additional Investments Form', a copy of which will be supplied to you upon request.

If you do not indicate the manner in which you wish your additional investment to be apportioned between your Investment Options, it will be allocated to your existing Investment Options in the same proportions as stated on your most recent instruction.

How Do I Withdraw My Investment?

You may withdraw all or part of your investment at any time by requesting ARA to redeem your units in the Fund. Withdrawal requests must be in writing and signed. Requests received by facsimile are acceptable (see below).

There is no minimum placed upon the amount that you can withdraw from the Fund.

Your withdrawn funds will generally be available within 5 business days of the receipt of your withdrawal request, however, full withdrawals may take up to 21 business days. The Fund's Constitution allows the Responsible Entity to suspend the payment of withdrawals temporarily where it is deemed to be in the best interests of investors to do so. Also, some fund managers of underlying investments may have the right to suspend redemptions from their fund. This can affect your investment in the Fund if you are invested in the suspended fund. Investors should note that all withdrawals will in any case be suspended if the Fund is to be terminated.

Withdrawal requests will be met by redeeming the number of the investor's units in the Fund required to make up the amount of the request. The withdrawal value of your investment is determined by multiplying the number of units being redeemed by the unit price as at the close of business on the Valuation Day following the receipt of your withdrawal request.

Unless you instruct us that you wish to receive any withdrawal proceeds by cheque, they will be deposited directly into a nominated Australian bank, building society, or credit union account.

Withdrawal proceeds are subject to clearance by your financial institution. Where proceeds are deposited into a nominated account, clearance usually requires up to 3 business days. Where proceeds are paid by cheque, clearance usually requires up to 5 business days from the date of deposit.

All withdrawals will be confirmed in writing. For your protection, withdrawal payments will not be made in cash.

Facsimile and Scanned Email Withdrawals

Facsimile and scanned email withdrawal requests are currently accepted, provided that we have no reason to believe the request is not genuine. We will not accept facsimile or scanned email requests for deposit to a bank, building society, or credit union account which has not been previously nominated. Facsimile withdrawal requests must be sent to ARA on (03) 9853 1622. Scanned email requests must be sent to info@araconsultants.com.au.

How Your Investment Is Valued

As the value of the assets within an Investment Option fluctuates, for example as the share prices of listed shares move up and down, so does the price of the Investment Option's units, in direct proportion, with relevant fees built into the unit price.

Example

Assume an investor invests the whole of their monies in the Growth Portfolio Investment Option. Assume also that the Investment Option owns assets valued today at \$1,000 and 100 units have been issued previously to investors. The unit price today is therefore $\$1,000/100 = \10 . A new investor now wishes to invest \$100 in that Investment Option. That investor will be issued with 10 units also valued at \$10 a piece, for their investment of \$100.

The Investment Option now holds assets worth \$1,000 plus \$100 just invested = \$1,100, and there are now 110 units issued. The unit price after the transaction is still the same i.e. $\$1,100/110 = \10 .

If over the next year the value of the Growth Portfolio Investment Option's assets grows to \$1,200 after deduction of fees, because the value of the various assets the Investment Option invests in has increased, the unit price will now be $\$1,200/110 = \10.91 . The investor described above who owns 10 units in that Option, now has an investment worth $\$10.91 \times 10 = \109.10 .

Units in the Fund are re-valued on a weekly basis normally at the close of business on a Valuation Day. Investors should allow four business days after the Valuation Day for the Fund to collect and collate the necessary information concerning the Fund's assets and to calculate the new unit price for each Investment Option. Please note that the collection process does take longer at the end of each quarter.

The unit price applied to Fund transactions, be they deposits, withdrawals, or switches, will be the unit price as of the close of business on the Valuation Day following the receipt of the transaction request.

Income from Your Investment

The Fund derives income from interest, dividends, and other forms of income earned by the Fund's investments within the three Investment Options. This income, after allowance for fees and other costs is distributed to investors in proportion to their unit holdings in each Investment Option at the end of each quarter.

Example

In the above example, assume that the \$100 investment was made on 1 July, and that no other units were bought or sold during the subsequent quarter ending 30 September. If the Fund accrued say \$55 of investment income within that Investment Option for that quarter after allowance for fees and other costs, then that 'net income' is allocated proportionately to the units in the Investment Option.

There being 110 units on issue, each unit is allocated \$0.50 (i.e. $\$55/110$). The investor in the example owns 10 units and so receives $10 \times \$0.50 = \5.00 of income distribution.

Any taxation liabilities or benefits (such as franking credits) attaching to the Fund's investment income derived in respect of each Investment Option are also allocated proportionately to the units within each Investment Option but not pro rata based on the amount of time invested.

Investors can choose to re-invest their income distributions, and will as a result be issued with additional units. However, the income distribution must still be declared for taxation purposes as it is treated as income received that has been applied to making an additional investment. Investors can alter their decision in respect of reinvesting distributions at any time prior to the distribution date at the end of each quarter.

What Does The Fund Invest In?

In accordance with the Fund's Constitution, ARA as the Responsible Entity has wide discretion as to the selection of investments for the Fund.

The Fund can be invested, for example, in any of the following:

- shares, debentures, stocks, bonds, options, rights or other securities;
- property investments, direct and listed;

- interest bearing deposits, including bills of exchange;
- interests in managed investment schemes;
- any securities, bonds, notes, or other interest bearing debt; and
- private equity.

The Fund may invest in derivatives, such as futures and options, in order to gain exposure to investment markets and to manage the risks associated with market prices, interest rates, and currency fluctuations.

Derivatives will not be used to gear the Fund's assets or for speculative purposes. Our licence dictates that derivative investment is kept to a minimum. We will not use, or permit the use of derivatives, if to do so will conflict with our overall strategies and objectives for the investment of the assets of the Fund.

Keeping You Informed

We will each time you make an investment, confirm your transaction in writing within 10 business days of your units being allotted to you.

As an investor in the Fund, you will receive:

- an Annual Distribution Statement setting out detailed information concerning your investments in the Fund, any transactions (including any fees and costs affecting your investment account balance) that have taken place during the year and any income earned (whether positive or negative);
- an "AMMA" – Attribution Managed Investment Trust Member Annual Statement which will state the amount of income distributed to you for the financial year together with the relevant tax information that you will require to assist you with the completion of your tax return (see page 23);
- quarterly statements setting out details of the units allocated to your investment account in respect of any management fee rebates for which you may have qualified and your income distributions; and
- at regular intervals (generally quarterly) an update on the management and financial condition of the Fund and on the performance of the Investment Options.

The ARAIF Annual Report and audited financial statements describing how the Fund's assets are invested and the returns for each Investment Option together with any other information that is relevant to your investment in the Fund are available on our website at www.araconsultants.com.au.

If you require copies of, or do not receive copies of, any of the above information, please ask us and we will send that information to you in hard copy free of charge.

Other Information Available on Request and How to Obtain It

If you require any additional information about the Fund that is publicly available (e.g. copies of the quarterly newsletters etc.) you can request it free of charge.

Please call ARA on (03) 9853 1688 during normal business hours (AEST) and it will be posted out to you or if you prefer sent to you by e-mail.

Alternatively, some of the information that you require may be available on our website which you can access at www.araconsultants.com.au. If you require access to your own personal information, you will need to have a Client ID and a password registered with us. If you would like to be registered for website access, please contact us and we will make appropriate arrangements for your registration. For our contact details please see the inside front cover of this PDS.

Taxation Information

Taxation

The following information is a brief explanation of the taxation issues for investors based upon the current taxation legislation in force at the date of this PDS.

ARA is not a tax agent and is not able to provide tax advice. We recommend that you seek your own professional taxation advice specific to your own individual circumstances.

The Fund will generally not be subject to income tax as the Constitution requires it to distribute to investors all of the net (taxable) income of the Fund as determined in accordance with Section 95(1) or, if applicable, the Attribution Managed Investment Trust ("AMIT") provisions (explained in more detail below) of the Tax Act.

However, the Fund may be required to pay tax in respect of certain taxable income distributed to non-resident unitholders.

Tax On Your Income

As an investor, you will be entitled to your allocated share of the distributable income of the Fund. Generally, the distributable income would equal the net (taxable) income of the Fund plus any distribution of tax-free or tax-exempt amounts.

Your distributions may include different components such as Australian income, foreign income, tax-free amounts, tax-deferred amounts, and discount capital gains, each of which has different taxation implications for you.

You are assessed on your distributions for the year of income in which you are presently entitled to them. This means that if you receive your June 2017 distribution in July 2017, you will need to include this distribution in your 2016/2017 income tax return. You are required to declare your distribution for tax purposes even if you re-invest it.

The components of your distribution will be detailed on your Annual Distribution and Tax Statements.

Australian Income

Depending upon which Investment Options you have selected, your income from the Fund may comprise franked and unfranked dividends, interest, rental income, and other profits of a revenue or capital nature earned in Australia.

Generally, you may use any franking credits attached to your distributions to reduce the tax liability on your taxable income, subject to you satisfying the "45 day holding period rule". For example, if you dispose of your units within 45 days of purchase, you may lose the benefit of the franking credits due to the operation of the 45-day holding period rule.

Generally, if your franking credits exceed your tax liability, you may be entitled to a refund of the excess franking credits.

Foreign Income And Related Tax Credits

Depending upon which Investment Options you have selected, your income from the Fund may include income and gains from investments outside Australia. Australians are generally subject to tax on all foreign income.

Where tax has been paid in a foreign country on foreign income, a foreign tax credit will arise. A foreign tax credit is attached to the foreign income distributed to investors. You may use your share of foreign tax credits to reduce your tax liability.

The Foreign Investment Fund ('FIF') legislation taxes unrealised capital gains arising from investments in certain foreign funds and companies. It is not expected that the Fund will be subject to these rules.

Tax-Free And Tax-Deferred Amounts

Tax-free and tax-deferred amounts are not included in assessable income.

Generally, these amounts reduce the cost base of your units and affect the capital gain or capital loss realised upon a later disposal of your units.

Tax Payable When You Redeem Or Transfer Your Units

If you redeem or transfer units, your transaction is treated as a disposal of units and you may be liable to tax on any gains that you make.

Under the capital gains tax provisions of Australian tax legislation, individuals who hold units for more than 12 months receive a 50% exemption on the amount of the capital gain.

Complying superannuation funds that hold units for more than 12 months may also obtain capital gains tax exemptions in relation to the disposal of units and the capital gains tax portion of any distributions.

Individuals and superannuation funds that do not hold units for more than 12 months do not receive the exemption on capital gains.

However, as the taxation treatment of capital gains depends on your individual circumstances, you should seek the advice of your professional adviser.

Non-Resident Unitholders

Non-resident unitholders should obtain professional taxation advice in relation to their individual circumstances.

Appropriate deductions of Australian tax will be made from distributions to non-resident unitholders. Non-resident unitholders may also be subject to tax on distributions in the country in which they reside, but may be entitled to a credit for some or all of the tax deducted in Australia.

Under legislation enacted by the Federal Government, the categories of assets potentially subject to capital gains tax have been reduced. Non-residents are now only liable to pay capital gains tax on real property situated in Australia, or mining, quarrying, or prospecting rights (to the extent that they are not real property) if the minerals, petroleum, or quarry materials are situated in Australia, and indirect real property interests.

In effect, this means that shares in Australian companies, units in Australian unit trusts, and interests in Australian resident trust estates held by non-residents and subsequently disposed of are generally not liable to capital gains tax unless the investments are indirect real property interests.

Non-resident investors should obtain their own Australian tax advice in relation to their dealings with the Fund.

Corporate Unitholders

A Corporate unitholder is required to include any franking credits in its assessable income in addition to the dividend amount, and can claim a franking offset equal to the amount of the franking credit included in that assessable income.

Companies will receive imputation credits in their franking accounts to the extent of the franked dividends included in their Fund distribution. This can be passed on to shareholders.

Other Unitholders

Other unitholders, such as trusts, life companies, superannuation funds, tax-exempt bodies, etc., have specific rules applying to them in respect of franked dividends. Accordingly, they should seek specific professional advice.

Attribution Managed Investment Trust ('AMIT') Taxation Rules

The Australian Government has enacted a new regime for the taxation of managed investment trusts ('MITs'), referred to as the AMIT rules. Subject to eligibility, the Fund may elect to be classified as an AMIT and be subject to the AMIT rules.

Importantly, the taxation comments above will change where the Fund elects to apply the AMIT rules. In particular, the AMIT rules determine the amount and taxation character of each component of amounts the Fund allocates to investors each year, together with amounts of tax to be withheld from investor distributions. The AMIT rules may also require investors to recognise increases or decreases to the CGT cost base of their units in the Fund. Terminology included in the Fund's communications with investors on taxation matters will also align with the new AMIT terminology.

Where the Fund elects into the AMIT regime, investors will be advised the amount of taxable income of the Fund that investors are to be assessed on via the annual AMIT Member Annual Statement ('AMMA statement'). The AMMA statements will contain more specific details of the taxation of investor distributions.

Goods and Services Tax ('GST')

The Fund is input taxed for GST purposes. This means that GST is not payable on the monies that are received from you for investment in the Fund. The Fund may however be required to pay GST on its fees and other costs. Therefore, the fees and costs shown in this PDS and the various examples of how these are calculated include GST calculated at the current rate of 10%. If that rate is increased, then the fees and costs that are affected will be calculated using the increased rate.

However, in some cases, the Fund is able to claim a reduced input tax credit of 75% of the GST paid on certain fees and costs payable from the Fund. This means that the effective cost of the GST to the Fund is reduced by the amount of the input tax credit received. Where appropriate, fees and other costs shown in this PDS and the various examples of how they are calculated allow for the possible allocation of any reduced input tax credits.

Tax File Number

Providing your Tax File Number (TFN) is not compulsory. However, without your TFN or appropriate exemption information, we are required to withhold tax from your income distributions at the highest marginal rate (plus the Medicare Levy) until your TFN or exemption is quoted.

Please note that after 1 July each year, the law prevents us from refunding any tax deducted in the previous financial year. After this date, if the tax is not refunded, an investor will be entitled to claim a credit on assessment for the amount deducted, or if this is not appropriate, an investor can apply directly to the Commissioner of Taxation.

Social Security

Investment in the Fund may affect your current or future social security entitlements. Where the investment is held by a natural person, we would expect the current value of the investment to be assessed under the assets test, and for the investment income to be assessed under the income test in accordance with the deemed income provisions. Investments held by a superannuation fund or discretionary trust may be assessed very differently. Investors should seek specific advice from an appropriately qualified financial adviser, or contact Centrelink.

Information Retention

In order to meet your income tax obligations as a unitholder, you should retain statements relating to applications, distributions, and withdrawals, for at least 7 years from the end of the financial year in which the investment is fully redeemed.

These statements will assist you in providing the necessary information required to calculate any capital gain or loss arising on any redemption or withdrawal.

You should be aware that the ultimate interpretation of the law rests with the courts.

Taxation law and the Australian Taxation Office interpretations and rulings may be issued or altered at any time.

Other Information You Should Know

The information in this section describes some additional aspects as well as the role of the Constitution that governs the Fund and sets out various rights of investors, and the requirements of the law which apply. This information is included for the assistance and guidance of prospective investors.

1. Constitution

The Constitution, this PDS, and the law governs our relationship with you. The Constitution deals with a number of matters including:

- the management of the Fund;
- valuation of the assets of the Fund;
- unit pricing;
- the Responsible Entity's power to establish new Investment Options and close existing Investment Options;
- the circumstances under which the Responsible Entity may retire;
- the circumstances in which the Fund must be terminated;
- fees and other costs that can be charged; and
- the Responsible Entity's power to amend the Constitution.

The Constitution has been lodged with ASIC and together with any amendments is available from us free of charge.

Please contact us during normal business hours using the contact details on the inside front cover to arrange to receive a copy.

2. Unitholders' Liabilities

An investor must indemnify the Responsible Entity for any liability incurred, overpayment made, or failure to provide for tax as the result of the Responsible Entity relying on information given to it by that investor or which should have been given to the Responsible Entity by that investor under the Constitution and/or the law.

Other than the above, the Constitution limits your liability in relation to the Fund to the value of the units that you hold. However, as the courts have not yet conclusively determined the liability of unitholders, we cannot state with certainty that liability is limited to your investment in all circumstances.

3. Compliance Plan

The Fund has a formal Compliance Plan that sets out the procedures that the Responsible Entity must follow to ensure that it complies with the Fund's Constitution and the laws which apply.

The Board of Directors of ARA monitors compliance via an independent Compliance Committee, which must report any breaches of the Constitution and/or the law to the Directors.

4. Cooling Off Rights

You have 14 days from the day you make your initial investment in the Fund ('cooling-off period') during which you can cancel your application and have your monies repaid.

The 14 day cooling-off period commences on the earlier of:

- the date you receive confirmation that your investment has been accepted; or
- the end of the fifth business day after the day upon which the product was first issued to you.

If you cancel your application within the cooling-off period, the amount that you will receive will be adjusted for any changes in the unit prices of the Investment Options which you selected on your Application Form, less any withdrawals and transaction costs.

Cooling off does not apply if:

- you are switching between funds offered by ARA;
- you exercise any of your rights as an investor of the Fund; or
- you are a wholesale client (as that term is defined under the Corporations Act).

If you want to cancel your initial application, you can notify us in writing, by email or by phoning your ARA adviser on (03) 9853 1688.

Upon receipt of your request, we will arrange for you to be sent full details of your repayment.

5. Privacy

We are committed to ensuring the confidentiality and the security of your personal information. We collect personal information about you from your Application Form to establish and support the ongoing administration of your investment in the Fund and to advise you of new developments relevant to your investment in the Fund.

If we need to collect sensitive information about you, we will obtain your consent before collecting that information. It will not be possible for us to process your application or administer your investment if you do not provide us with your personal information.

We will not disclose any of your personal information except:

- to external parties who provide services to us in relation to the Fund (for example, without limitation, providers of printing and postal services);
- to your professional adviser whose details are on your Application Form;
- where the law requires; or
- where specifically authorised by you.

You may access all personal information that we hold about you. If you would like access to your personal information and/or to obtain a copy of our Privacy Statement, please contact us (contact details are set out on the inside front cover of this PDS).

If you think that our records are wrong or out of date – particularly your address, email address, or accountant - it is important you contact us so that we can correct them.

6. Complaints

If you are not satisfied with any aspect of our services in relation to the Fund, you should contact our Complaints Officer, Alan Rimmer, either by writing to him at ARA Consultants Limited, PO Box 2273, Kew, Victoria, 3101 or by phoning him on (03) 9853 1688.

Our objective is to seek a resolution to your complaint as quickly as possible. For this purpose we will where practical contact you personally within two days of receiving your complaint with a suggested solution. Whether or not it will be possible to provide a solution within such a short period of time will depend upon the nature of your complaint and the amount of investigation that may be necessary.

If your complaint is not resolved to your satisfaction within 45 days of receipt of your complaint, you can contact the following independent external complaints resolution scheme, of which ARA is a member:

Financial Ombudsman Service
GPO Box 3
MELBOURNE VIC 3001

Phone: 1800 367 287
Fax: (03) 9613 6399
Email: info@fos.org.au

7. Continuous Disclosure Requirements

The Fund is subject to certain regular reporting and continuous disclosure requirements. Copies of documents that the Fund is required to lodge with ASIC may be obtained from or inspected at an ASIC office.

As an investor in the Fund, you have the right to obtain the following documents from us:

- the annual financial statements recently lodged with ASIC by us in respect of the Fund;
- any half-yearly financial reports lodged with ASIC in respect of the Fund after the lodgement of the above mentioned annual financial statements and before the date of this PDS;
- any continuous disclosure notices provided by us in respect of the Fund after the lodgement of the above annual financial statements and before the date of this PDS.

If requested, we will send you a copy of any of the above documents free of charge, as soon as possible after receiving your request.

8. Mortgage Or Transfer of Units

ARA may in its absolute discretion, note certain mortgage interests over an investment in the Fund (including any distribution reinvested from that investment) subject to the following conditions:

- the investments (including any distributions reinvested) cannot be transferred or withdrawn without the consent of the mortgagee;
- amounts paid or assets transferred upon withdrawal will be forwarded to the mortgagee or at the mortgagee's discretion;
- notice of mortgage can only be removed with the consent of the mortgagee; and
- distributions which are not reinvested will be paid in accordance with any instructions in the notice of mortgage or otherwise in accordance with the instructions on your Application Form.

You may transfer units in the Fund to another person by providing ARA with a signed and completed transfer form with any duty paid and any other document ARA considers appropriate.

A transfer of units involves a disposal of units which may have taxation implications (see page 22-24).

9. Directors

The directors of ARA Consultants Limited have consented to and authorised the publication of this Product Disclosure Statement. Such consent and authorisation has not been withdrawn as at the date of this PDS.



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