

Reference Guide

Ventura Conservative Fund

ARSN 099 584 826

Issued by Equity Trustees Limited
ABN 46 004 031 298, AFS Licence No 240975

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The information in this document forms part of the Product Disclosure Statement for the Ventura Conservative Fund

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1. About Equity Trustees Limited

No additional information.

2. How the Ventura Conservative Fund works

Your interests

We may accept or decline all or part of an application without giving any reason. Application money is deposited into a non-interest bearing account with the Custodian, pending its processing.

We have a policy for unit pricing discretions. The types of discretion we may exercise and when we can exercise the discretion are set out in our Unit Pricing Policy. The Policy is available from Client Service or on the EQT website www.eqt.com.au/insto at no charge.

Confirmation of investments or withdrawals won't be provided for the regular investment or withdrawal plans.

You may invest indirectly in the Fund as an investor through an IDPS operator who acquires units in the Fund on your behalf. An indirect investor does not hold units in the Fund and does not acquire any rights relating to the Fund. The IDPS operator acquires these rights and can exercise, or decline to exercise, rights on your behalf according to the arrangements governing the IDPS. The offer document for your IDPS should have further details. The IDPS operator will provide you with all reporting for the Fund. The net performance of your investment in the Fund may be different from the information we publish, due to cash flows specific to your portfolio and any fees charged by the IDPS operator.

Changing your regular investment or withdrawal plan

You may change your regular investment or withdrawal plan by giving us at least 14 days' notice.

We may vary the minimum monthly or stop the regular investment or withdrawal plan by giving 30 days prior notice to investors using the plan.

If you participate in the regular investment plan, you should keep the current Product Disclosure Statement for future reference.

Freezes on withdrawals

In certain circumstances (where we reasonably consider that it is in the interests of investors or where it is impractical to calculate the unit value), we may freeze the withdrawals of units. These include:

- closure or trading restrictions of a stock exchange or foreign market
- an emergency or other state of affairs including declaration of a moratorium in a country where the Fund has investments
- where the Fund has invested in a fund which has suspended withdrawals
- investments can't be sold at prices which would be realised if investments were sold in an orderly fashion over a reasonable period in a stable market.

Where withdrawals are frozen, applications will also be suspended. For withdrawal or application requests lodged during a freeze period, withdrawal and application values will be calculated and paid as if the request were lodged immediately after the end of the suspension.

EQT as Responsible Entity may stagger withdrawal requests over several days in the proportions it determines. This would happen typically where there are a large number of withdrawal requests received on a particular day.

Anti-money laundering requirements

We are required to comply with the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) where you do not invest in the Fund through an IDPS. This means we need to obtain information verifying your identity when you first apply to buy units in the Fund and also when undertaking certain transactions.

If you have a Financial Adviser, they will ask to see either original or certified copies of your identification documentation and will retain copies of it. Your Financial Adviser may then send us copies of your identification documentation, together with the Application. If the Application is signed under Power of Attorney, we will also require a certified copy of the Power of Attorney and a specimen signature of the attorney. If you are not investing through a Financial Adviser, we will ask to see either original or certified copies of your identification documentation which we will retain. We may need to ask you for additional information about yourself or anyone acting on your

behalf, either when we are processing your application or at some stage in the future after you become an investor. The identification documentation that you need to provide will depend on whether you are an individual investor or a non-individual investor, such as a superannuation fund, a trust or a company.

If we do not receive all the required identification documentation or we are unable to verify your identity, we may not be able to proceed with your investment. We will contact you as soon as possible if we require more information. We may provide information that we hold about you or your investment to a relevant government authority.

Privacy

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

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

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

In some cases, the organisations to which EQT discloses your information may be located outside Australia (including New Zealand, UK, USA, India, the Philippines, Malaysia), though it is not practicable to list all of the countries in which such recipients are likely to be located.

EQT may from time to time provide you with direct marketing and/or educational material about products and services EQT believes may be of interest to you. Should you not wish to receive this information from EQT (including by email or electronic communication), you have the right to “opt out” by advising EQT by telephoning +613 8623 5000, or alternatively by contacting us via email at privacy@eqt.com.au.

Subject to some exceptions allowed by law, you can ask for access to your personal information. We will give you reasons if we deny you access to this information. EQT’s Privacy Statement outlines how you can request to access and seek the correction of your personal information. EQT’s Privacy Statement is available at www.eqt.com.au and can be obtained by contacting EQT’s Privacy Officer on +613 8623 5000, or alternatively by contacting us via email at privacy@eqt.com.au.

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

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

Rights of EQT

EQT:

- may change the terms and conditions set out in the Product Disclosure Statement may rely on the advice of barristers or solicitors and information supplied by bankers, accountants, valuers and other experts
- is not liable to any investor for making tax or similar payments
- may be indemnified out of the Fund for any liability incurred by it in properly performing any of its duties or exercising any of its powers concerning the Fund
- is not liable to investors to any greater extent than the assets held in the Fund except for negligence, default, breach of trust or duty by EQT.

Retirement of EQT

EQT may retire as Responsible Entity on the appointment of a new Responsible Entity in accordance with the Corporations Act and the requirements of the investment management agreement entered into between EQT and Ventura.

Fax service conditions

We offer a fax instruction service which allows you to give instructions to us by fax for your investment. As there is a risk of fraudulent fax withdrawal requests by someone who has access to your investor number and signature, you



need to exercise caution.

By using this service you release and indemnify us against all losses, damages and liabilities arising from any payment we make or action we take based on any instruction that we receive which contains your account name and a signature which appears to be yours or that of an authorised signatory on your account, even if not genuine. You also agree that neither you nor anyone claiming through you has any claim against us or the Fund for these payments or actions.

3. Benefits of investing in the Ventura Conservative Fund

Rights of investors

The Fund was established by a Constitution dated 12 February 2002, as amended. The Constitution, together with the Corporations Act, sets out the legal rights, duties and obligations of EQT as Responsible Entity and the investors and includes the following provisions:

- the rights, interests and liabilities of investors
- the duties and obligations of EQT
- investment, valuation and borrowing powers
- fees and recoverable expenses
- unit application and withdrawal procedures
- convening and conduct of investor meetings
- the duration and termination of the Fund
- the right to Fund distributions
- the right to a limitation of liability of unit holders to the issue price of units (however, this limitation has not been tested before superior courts).

If investing through an IDPS, you do not become an investor in the Fund, the IDPS operator does so on your behalf. Refer to Section 2, Your Interests for further information.

The Constitution allows for more than one class of units to be offered to investors. Currently there are two classes of units in the Fund, Wholesale and Class A. The only difference between the classes is the level of management fees charged. The Reference Guide and the PDS both dated 01 July 2014 relates to the Class A units in the Fund.

We may vary the Constitution of the Fund if the variation does not adversely affect investors' rights, or otherwise the variation must be approved by 75% of votes cast by investors in the Fund.

This document contains only a summary of some of these provisions and should be seen as a guide. The Constitution is lodged with ASIC. In the future, the Fund may become a disclosing entity under the Corporations Act and be subject to regular reporting and disclosure obligations. Copies of documents lodged with the ASIC for the Fund may be obtained from, or inspected at, an ASIC office.

4. Risks of managed investment schemes

No additional information.

5. How we invest your money

Switching

You can transfer your money into another Ventura fund. A switching fee does not apply (although a buy spread may apply in respect of that fund).

You will first need to review the Product Disclosure Statement applying to the Fund into which you are switching.

Currency management

Investing in assets which are denominated in foreign currencies means you are exposed to movements in those currencies. Currency markets can be extremely volatile and are affected by a host of factors.

Some of the underlying funds the Fund invests in may use currency hedging as part of their investment strategy. Currency hedging is an investment strategy which aims to reduce currency risk, protecting or potentially improving returns. However, it may also reduce potential gains from investments. Derivatives including, but not limited to, forward foreign exchange contracts and swaps may be used to reduce the impact of currency fluctuations.

Assets within the Fund that have an exposure to foreign currencies through the underlying funds may be unhedged and/or partially or fully passively hedged. The unhedged/hedged currency exposure of the Fund also may be actively managed in the underlying funds into which the Fund invests. Active currency management has the potential to add further value, but can also expose a Fund to greater risk.

Environmental and ethical considerations

Whilst we intend to conduct our affairs in an ethical and sound manner, our investment criteria does not take into account labour standards, environmental, social or ethical considerations for the purpose of selecting, retaining or realising an investment of the Fund.

6. Fees and costs

Management costs

The management costs as a percentage of the net assets of the Fund can be calculated as the Indirect Cost Ratio (the ICR). The ICR is comprised of management fees and expenses (which fees and expenses include any management and performance fees or costs paid to Ventura, Russell Investments or to the underlying funds or underlying managers).

The management fees and expenses for the Fund making up the ICR, or management costs shown in Section 6, Fees and Costs of the Product Disclosure Statement effective as at 1 June 2012, is set out in the table below.

	Management Fee % pa of Fund value	Expenses (including performance fees) % pa of Fund value
Ventura Conservative Fund	0.62	0.08

As the ICR is calculated retrospectively, the current ICR may vary. This is because, for example, the actual expenses charged by, or performance of, an underlying manager or underlying fund on which a performance fee is payable, may vary from the expenses or performance fee charged previously.

Performance fees

Performance fees may be payable to certain underlying investment managers into which the Fund invests. Performance fees are calculated in various ways. These fees are reflected in the unit price for the underlying funds.

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

Financial adviser remuneration

Your Financial Adviser will assist with understanding and managing your investment requirements. They may receive payment for providing these services. Your Financial Adviser meets their expenses from this remuneration, and also relies on it to provide an income. You may negotiate with your Financial Adviser for them to receive an ongoing adviser fee. These payments are in addition to the management costs referred to in the PDS.

You can choose for these payments to be deducted from your account as a percentage of your total investment value or as a specified dollar amount, both calculated on a per annum basis. We will deduct this fee and pay it to your Financial Adviser on your behalf on a monthly basis through the withdrawal of units if you complete the appropriate section in the Application. Please note that the withdrawal of units has taxation consequences, refer to the Section 7 of the PDS, How managed investment schemes are taxed, for more details.

Maximum management costs

Management costs consist of the management fee and expenses. The management fee is the fee we charge for overseeing the operations of the Fund and managing the assets of the Fund. The management fee is calculated and accrued daily and paid monthly in arrears out of the Fund's assets. We are also entitled to be reimbursed for expenses we incur in the proper performance of our duties and in connection with the day-to-day operation of the Fund, including audit fees, banking charges and the preparation of accounts. If you are investing via an IDPS, fees and expenses applicable to the IDPS (as set out in the IDPS offer document or client agreement) are

payable in addition to the fees and expenses in the PDS.

The Fund's Constitution allows us to charge the management costs set out in the Constitution. Until further notice we will charge the lower management costs stated in the Product Disclosure Statement, rather than the higher management costs set out in the Constitution summarised in the table below. Fees are shown inclusive of the net effects of GST. For further information about tax, refer to Section 7 of the PDS, How managed investment schemes are taxed.

Maximum management fees in constitution	Actual management fee charged	Maximum issue fee and switching fee in constitution	Actual issue fee and switching fee charged
4% p.a. of net Fund value	0.62% p.a. of net Fund value	4% and 1% of the application money respectively	Nil

Abnormal expenses

We are entitled to be reimbursed from the Fund for abnormal expenses, such as the cost of unit holder meetings, defending legal proceedings, special valuation of assets and the costs of terminating the Fund. These abnormal expenses are not generally incurred during the day-to-day operation of the Fund and are not necessarily incurred in any year. If they arise, EQT may deduct these expenses from the Fund.

Wholesale investors

We may negotiate management costs individually with certain wholesale investors (as defined by the Corporations Act 2001). All other fees remain the same. Accordingly, we may waive or rebate some of our fees to these wholesale investors so that they pay reduced fees. This is generally because they invest large amounts of money in the Fund.

We may enter into a variety of arrangements with service providers like IDPS operators that may involve us making payments to, and providing services to, these operators in return for the promotion of the Fund. These payments may be one-off or on-going and are paid by us out of our fees and are not an additional cost to investors.

7. How managed investment schemes are taxed

No additional information.

8. How to apply

No additional information.

9. Other important information

Definition of US Persons

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

- a. any citizen of, or natural person resident in, the US, its territories or possessions; or
- b. any corporation or partnership organised or incorporated under any laws of or in the US or of any other jurisdiction if formed by a US Person (other than by accredited investors who are not natural persons, estates or trusts) principally for the purpose of investing in securities not registered under the US Securities Act of 1933; or
- c. any agency or branch of a foreign entity located in the US; or
- d. a pension plan primarily for US employees of a US Person; or
- e. a US collective investment vehicle unless not offered to US Persons; or
- f. any estate of which an executor or administrator is a US Person (unless an executor or administrator of the estate who is not a US Person has sole or substantial investment discretion over the assets of the estate and such estate is governed by non-US law) and all the estate income is non-US income not liable to US income tax; or

- g. any trust of which any trustee is a US Person (unless a trustee who is a professional fiduciary is a US Person and a trustee who is not a US Person has sole or substantial investment discretion over the assets of the trust and no beneficiary (or settlor, if the trust is revocable) of the trust is a US Person); or
- h. any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US Person; or
- i. any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated or (if an individual) resident in the US for the benefit or account of a US Person.

FATCA

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

Information on underlying investments

Information regarding the underlying investments of the Fund will be provided to an investor of the Fund on request, to the extent EQT is satisfied that such information is required to enable the investor to comply with its statutory reporting obligations. This information will be supplied within a reasonable timeframe having regard to these obligations.

