

# PRODUCT DISCLOSURE STATEMENT

## **HYPERION AUSTRALIAN GROWTH COMPANIES FUND**

ARSN 089 548 443 APIR BNT0003AU ISIN AU60BNT00032  
mFund code HYN01

Issued by Pinnacle Fund Services Limited  
ABN 29 082 494 362 AFSL 238 371  
Issued on 19 September 2016

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Information in this Product Disclosure Statement ('PDS') is a summary of significant information you need to make a decision about the Hyperion Australian Growth Companies Fund ('Fund'). It contains references to other important information which is in the Additional Information to the PDS and forms part of this PDS. The important information in the Additional Information to the PDS should be considered together with the PDS before making a decision to invest in the Fund.

The information in this PDS is general information only and does not take into account your personal financial situation or needs. Before investing, you should obtain financial advice tailored to your personal circumstances.

This PDS has been prepared in accordance with the simple managed investment scheme disclosure regime under the Corporations Regulations.

### **Updated information**

The information in this PDS may change over time. Pinnacle Fund Services Limited may update this information where this does not involve a material adverse change and make it available to you, where permitted by law, via Hyperion's website [www.hyperion.com.au](http://www.hyperion.com.au). You can also obtain updated information by e-mailing [investorservices@hyperion.com.au](mailto:investorservices@hyperion.com.au) or call 1300 HYPERION (1300 497 374). You may also call Pinnacle Fund Services Limited on 1300 360 306. A paper copy of any updated information is available free on request.

## SECTION 1: About Pinnacle Fund Services Limited

### Pinnacle Fund Services Limited

Pinnacle Fund Services Limited ABN 29 082 494 362 AFSL 238371 (the 'Responsible Entity', 'RE', 'we', 'our', 'us') is the responsible entity of the Fund. Pinnacle Fund Services Limited is wholly owned by Pinnacle Investment Management Limited ABN 66 109 659 109 ('Pinnacle'). Pinnacle supports the development of high quality investment management businesses and is the distributor of the Fund.

### Hyperion Asset Management Limited

Hyperion Asset Management Limited ABN 80 080 135 897 AFSL 238380 ('Hyperion' or 'Investment Manager') has been appointed by the RE as the Fund's investment manager, pursuant to the terms of an investment management agreement.

Hyperion is a high conviction growth style manager that specialises in identifying and investing in quality Australian and global equities. Hyperion's proprietary investment process produces a relatively concentrated portfolio of high quality companies with predictable earnings and superior growth potential.

Hyperion's competitive advantage is summarised in three points:

- **Process** – Hyperion buys what it considers are the highest quality growth businesses at an attractive valuation based on a thoroughly researched long-term view. Hyperion exploits other market participants' focus on the short-term, market sentiment and indices as Hyperion thinks and acts more like a business owner, rather than a stock picker;
- **People** – The core investment team has been together since 1998 and remains stable, experienced and well resourced to handle future growth. The same team that developed their proprietary investment process are shareholders in the company as well as having substantial personal investments in their managed products. The result is that clients can feel confident Hyperion's objectives are fully aligned with theirs; and
- **Product** – Hyperion's process produces high conviction benchmark insensitive portfolios with excellent after-tax efficiency. Hyperion has an established long-term track record of outperformance against the benchmark and is well positioned for both the peaks and troughs of an equity investment cycle.

Hyperion's executives are majority equity partners in the Investment Manager's business.

Hyperion may appoint an officer to the board of an entity in which the Fund invests, to oversee the operations of the investment entity.

Hyperion's investment team has substantial capital invested in the business and in the funds managed by Hyperion, so not only is Hyperion here for the long-term, the Fund's clients are assured the investment team's goals are aligned with the clients' goals.

Neither the Responsible Entity nor Hyperion guarantees the performance of the Fund or the return of capital or income. Your investment in the Fund is subject to investment risk. This could involve delays in repayment and loss of income or the principal invested.

## SECTION 2: How the Hyperion Australian Growth Companies Fund Works

In exchange for your invested money, you are issued with interests in the Fund called 'units'. Each unit in the Fund gives the unit holder a beneficial interest in the Fund as a whole, but not in any particular asset of the Fund. Your units are your proportionate share of the Fund and reflect the value of your investment, which will change over time as the market value of the assets of the Fund rise and fall.

### Minimum initial investment

You can make an investment in the Fund with a minimum initial investment in the amount of \$100,000 or as agreed with the Responsible Entity. When you make an investment in the Fund, your units will be allocated to you based on the entry price for the business day your application is accepted.

### Additional investments

You are able to increase your investment in the Fund at any time by buying additional units, subject to the minimum additional investment amount of \$1,000 or \$200 for investments via a regular investment plan.

You can also invest using the managed funds settlement service operated by the ASX ('mFund'). Further information on mFund can be found in this PDS in Section 8 'How to Apply'.

### Withdrawals

You can decrease your investment in the Fund by withdrawing units at any time. When you withdraw, your units will be redeemed based on the exit price for the business day on which your withdrawal request is accepted. The Responsible Entity endeavours to effect payment of withdrawals within seven days. We will not satisfy a withdrawal request if the Fund becomes illiquid (as defined under the Corporations Act 2001 ('Corporations Act')). In certain circumstances, such as if there is a freeze on withdrawals, the Responsible Entity may delay payment of your withdrawal proceeds.

The value of your investment at any point in time will depend on the total number of units you hold in the Fund and the relevant exit price per unit.

If you are using mFund, you can withdraw units in the Fund in a similar way to selling listed shares. Further information on mFund is set out in this PDS in Section 8 'How to Apply'.

### Unit Price

The entry price is calculated by taking the net asset value of the Fund and adding to it an amount which reflects the estimated cost of acquiring the Fund's assets (subject to the Responsible Entity's discretion to reduce or waive such costs) and dividing the net figure by the number of units on issue in the Fund.

The exit price of the Fund is calculated by taking the net asset value of the Fund and subtracting from it an amount which reflects the estimated cost of selling the Fund's assets (subject to the Responsible Entity's discretion to reduce or waive such costs) and dividing the net figure by the number of units on issue in the Fund.

### NAV

The net asset value ('NAV') of the Fund is calculated by deducting the value of the liabilities from the value of the gross assets attributable to the Fund. Securities are generally valued at the relevant valuation date's closing price on the principal market on which they are traded. Reasonable estimates may be used to value a specific asset or type of asset if the price is unavailable, provided there is a verifiable methodology to support the estimate. The current unit prices and NAV for the Fund is available on Hyperion's website [www.hyperion.com.au](http://www.hyperion.com.au) or can be obtained by contacting us on 1300 497 374 or by emailing [investorservices@hyperion.com.au](mailto:investorservices@hyperion.com.au).

### Unit pricing policy

The Responsible Entity has a policy for unit pricing discretions it uses in relation to the Fund ('Unit Pricing Policy') for the purpose of ASIC Class Order 05/26. Additional documents may be prepared for this purpose from time to time. This document may be revised or updated to reflect changes in the Fund constitution or the pricing policies of the Responsible Entity. The Unit Pricing Policy and discretions exercised by the Responsible Entity are available from us free of charge upon request.

### Distributions

Fund distributions are calculated at the end of each quarter and paid as soon as practicable thereafter. The level of distributions will vary over time. The determination of the Fund's distribution at the end of each distribution period may have a negative effect on the next calculated unit price of the Fund, reflecting the reduced value of the units as a result of being priced less the distribution entitlement (ex-distribution).

$$\text{Your distribution} = \frac{\text{The Fund's distributable income}}{\text{Total number of units on issue}} \times \text{The number of units you hold}$$

The Fund may not make a distribution during a period where the Fund's realised losses and other expenses exceed its income. Disposal of investments by the Fund may result in taxable income. Under the capital gains tax provisions of the Income Tax Assessment Act, a gain (in some cases adjusted for inflation) arising on the disposal of assets for Fund investments shall, where the capital gains exceed any capital losses, be included in the Fund's taxable income. This forms part of the distribution to investors.

Distributions are automatically reinvested for additional units in the Fund unless requested otherwise.

### Indirect investors

Investors and prospective investors may access the Fund indirectly. This PDS has been authorised for use by operators through an Investor Directed Portfolio Service ('IDPS') or master trust. Such indirect investors do not acquire the rights of a unit holder of the Fund. Rather, it is the operator or custodian of the IDPS or master trust that acquires those rights. Therefore, indirect investors do not receive income distributions or reports directly from us, do not have the right to attend meetings of unit holders and do not have cooling-off rights. Indirect investors should not complete the Fund's Application Form. The rights of indirect investors are set out in the disclosure document for the IDPS or master trust. If you are investing through an IDPS or a master trust, enquiries should be made directly to the IDPS operator or the trustee of the master trust.

You should read the important information about 'How the Fund Works' before making a decision. Go to the Additional Information to the PDS. The material relating to 'How the Fund Works' may change between the time when you read this PDS and the day when you sign the Application Form.

## SECTION 3: Benefits of Investing in the Hyperion Australian Growth Companies Fund

### Significant features

The Fund invests primarily in Australian listed companies included in the S&P/ASX 300 Index, but will also have some exposure to cash. The Fund's objective is to achieve medium to long-term capital growth and income. Further details of the Fund's investment strategy are set out later in this PDS in SECTION 5 – 'How We Invest Your Money'.

## Significant benefits

Investing in the Fund offers a number of benefits, including:

- Reduced investment risk through a diversified portfolio of equity investments;
- Professional, disciplined management of an investment portfolio by Hyperion's experienced funds management team; and
- Easy access to information via the website – [www.hyperion.com.au](http://www.hyperion.com.au)

## SECTION 4: Risks of Managed Investment Schemes

All investments involve risk. Different strategies may carry different levels of risk, depending on the assets that make up that strategy. Assets with the highest long-term returns may also carry the highest level of short-term risk. Investors in the Fund should be aware that investments will rise and fall in value, the level of returns will vary and future returns may differ from past returns. As a consequence, investors may lose capital or not receive a return over a given time frame.

Past performance is not a reliable guide to future performance and should not be relied upon to predict the value of an investment. Neither the Responsible Entity, nor the Investment Manager guarantees the performance of the Fund, the repayment of capital or any particular rates of return. Returns are not guaranteed and the value of your investment upon redemption may be less than your investment in the Fund. Laws affecting registered managed investment schemes may change in the future and this may impact the value of your investment in the Fund.

You need to consider the level of risk that you are comfortable with, taking into account factors such as your age, your investment timeframe, other assets and investments you have and your overall tolerance for risk.

### General Risks

General risks, which apply to all types of investment, include the value of the investment not matching inflation rates, changes in taxation policy and the possibility that distributions to investors fall or in some cases stop altogether.

The Fund's earnings and value are determined by the earnings and value of the assets of the Fund, which are affected by movements in interest rates, currency exchange rates, commodities, overall economic conditions (both domestic and overseas), and other factors that are beyond the control of the Responsible Entity or the Investment Manager. As a result, it is not possible to predict or identify all future events or issues that may adversely affect the performance of the Fund.

### Product Selection Risk

The Investment Manager may make poor investment decisions resulting in sub-standard returns. This risk is mitigated to some extent by the knowledge and experience of the Investment Manager.

### Liquidity Risk

There may be times when securities may not be readily sold (for example, in a falling market where companies may become less liquid). However, trading volumes of stock are generally sufficient to satisfy liquidity requirements when necessary. Note that neither the Responsible Entity nor the Investment Manager guarantees the liquidity of the Fund's investments.

### Management Risk

Management risk refers to the risk that the Investment Manager will not achieve its performance objectives or not produce returns that compare positively against its peers.

You should read the important information about 'Risks of Managed Investment Schemes' before making a decision. Go to the Additional Information to the PDS. The material relating to 'Risks of Managed Investment Schemes' may change between the time when you read this PDS and the day when you sign the Application Form.

## SECTION 5: How We Invest Your Money

An investment in the Fund may suit you if you are seeking a long-term investment primarily in Australian listed companies included in the S&P/ASX 300 Index.

**WARNING:** You should consider the likely investment return, risk and your investment timeframe when choosing to invest in the Fund. An investment in the Fund is intended to be suitable for investors willing to take more risk in search of greater returns.

### Hyperion Australian Growth Companies Fund

<b>Investment return objective</b>	To achieve medium to long-term capital growth and income by investing primarily in high calibre Australian companies listed within the S&P/ASX 300 Index, at the time of investment.
<b>Benchmark</b>	S&P/ASX 300 Accumulation Index
<b>Currency</b>	Australian Dollars
<b>Suggested minimum investment period</b>	5 years

<b>Risk profile</b>	Aggressive. Willing to take more risk in search of greater returns. Aggressive investors are comfortable with volatility and with the possibility of negative returns and aim to invest over a long period.	
<b>Portfolio allocation</b>	<b>Asset Class</b>	<b>Investment Range<sup>#</sup></b>
	Australian equities	80% – 100% <sup>^</sup>
	Cash and cash equivalent	0% – 20%
	Cash target	5%
<b>Investment guidelines</b>	The Fund shall not own more than 15% of the issued share capital of any one company. Individual stock weightings are not to exceed 13% of the total value of the portfolio.	
<b>Labour standards or environmental, social or ethical considerations</b>	Labour standards and environmental, social and ethical considerations are taken into account once the Investment Manager becomes aware of them, but only to the extent that they will affect the future financial performance of the investment. Generally speaking, the Investment Manager does not have a fixed methodology or weightings for taking labour standards and environmental, social and ethical considerations into account when selecting, retaining and realising investments of the Fund.	
<b>Borrowings</b>	While the Responsible Entity does not intend to borrow on behalf of the Fund, the Responsible Entity is permitted to borrow and to give a security over the assets of the Fund for any such borrowing, so long as the total principal amount borrowed does not exceed 50% of the value of the assets of the Fund at any time.	

<sup>#</sup>Asset ranges may be exceeded for short periods of time for the purposes of portfolio re-balancing. Exposure can be via managed funds or direct investments.

<sup>^</sup>While the Fund primarily invests in Australian equities, the Fund may at times also invest in overseas listed equities.

We have the right to change the Fund's asset classes, investment ranges, investment objective and benchmark without prior notice. We will inform investors of any material change to the Fund's details via the Hyperion website [www.hyperion.com.au](http://www.hyperion.com.au) or as otherwise required by law.

You should read the important information about 'How We Invest Your Money' before making a decision. Go to the Additional Information to the PDS. The material relating to 'How We Invest Your Money' may change between the time when you read this PDS and the day when you sign the Application Form.

## SECTION 6: Fees and Costs

### Consumer Advisory Warning

#### Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns. For example, total annual fees and costs of 2% of your fund balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs. You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund (being the responsible entity) or your financial adviser.

#### To find out more

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

### What are the fees and costs of the Fund?

The following table shows fees and other costs you may be charged and can be used to compare costs between different simple managed investment schemes. These fees and costs may be deducted from your money or from the returns on your investment or from the Fund assets as a whole. You should read all of the information about fees and costs, as it is important to understand their impact on your investment. Taxes are set out in another part of this document.

Type Of Fee Or Cost	Amount	The management fee is calculated daily, reflected in the daily unit price and payable monthly in arrears from the Fund to the Investment Manager. The amount of this fee can be negotiated with wholesale clients. The fees are inclusive of Goods and Services Tax ('GST') and the net effect of any applicable reduced input tax credits ('RITC').
<b>Fees when your money moves in or out of the Fund</b>		
Establishment fee	Nil	
Contribution fee	Nil	
Withdrawal fee	Nil	
Termination fee	Nil	

Management costs		Extraordinary expenses are paid from the Fund as and when incurred.
The fees and costs for managing your investment.	<b>Management fee</b> 0.95% p.a. of the gross asset value of the Fund.	

Hyperion will draw one management fee and pay all expenses including the Responsible Entity fee, with the exception of extraordinary expenses from the fee it receives.

**Warning:** Additional fees and costs may be paid to a financial adviser if a financial adviser is consulted. The details of these fees and costs should be set out in the statement of advice by your adviser. ASIC Class Order 14/1252 applies in relation to this PDS.

### Example of annual fees and costs for the Fund

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

Example	Balance of \$50,000 with a \$5,000 a year contribution	
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged \$0.
<b>PLUS</b> Management costs	0.95% p.a.	<b>And</b> , for every \$50,000 you have in the Fund you will be charged \$475 each year.
<b>EQUALS</b> Cost of Fund		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during the year, you would be charged fees of: \$475. <sup>1</sup> <b>What it costs you will depend on the investment option you choose and the fees you negotiate.</b>

1. This example assumes the \$5,000 contribution occurs at the end of the year and therefore management costs are calculated using the \$50,000 balance only. The additional management costs would be \$47.50 if you had invested the \$5,000 for the full 12 months. Additional fees may apply, including the buy/sell spread of 0.60%. The buy/sell spread is an additional cost but, as it is included in the unit price of the Fund, it is not charged to you separately. The buy/sell spread is the difference between the entry price and the exit price of the units in the Fund. Refer to SECTION 4 – ‘Fees and Costs’ information in the Additional Information to the PDS.

### Increases or alterations to fees and costs

If the Responsible Entity increases its fees and costs or applies any new fee (which can be done without your consent), we will notify you 30 days prior to the increase. The Responsible Entity confirms that in the event of any such fee increase:

- the management fee will not exceed 1.87% p.a. of the net asset value of the Fund; and
- the buy/sell spread will not exceed 0.825% of the unit value.

These maximums are set out in the Fund’s constitution, include GST and cannot be increased above these amounts without prior unitholder consent. The Responsible Entity also reserves the right to waive or reduce any of the fees and costs described in this PDS without prior notice.

You should read the important information about ‘Fees and Costs’ before making a decision. Go to the Additional Information to the PDS. The material relating to ‘Fees and Costs’ may change between the time when you read this PDS and the day when you sign the Application Form.

## SECTION 7: How Managed Investment Schemes are Taxed

**Warning: Investing in a registered managed investment scheme is likely to have tax consequences dependent on your personal circumstances. You are strongly advised to seek professional tax advice about the specific implications relevant to your situation.**

Registered managed investment schemes do not pay tax on behalf of Australian resident investors. As it is intended that all taxable income and capital gains will be distributed, it is expected that the Fund will not pay tax on its taxable net income and capital gains.

Your share of the taxable net income and capital gains earned by the Fund should be included in your tax return in the year you become presently entitled to the taxable net income and/or capital gains.

You should read the important information about ‘How Managed Investment Schemes are Taxed’ before making a decision. Go to the Additional Information to the PDS. The material relating to ‘How Managed Investment Schemes are Taxed’ may change between the time when you read this PDS and the day when you sign the Application Form.

## **SECTION 8: How to Apply**

### **Investing**

You may apply for units in the Fund via your broker through mFund. Refer to information about “mFund” below for further details. To apply for units in the Fund directly, please read this PDS together with the Additional Information to the PDS, then complete the Application Form.

Direct applications received, verified and accepted by the Fund Administrator, RBC Investor Services Trust prior to 3.00pm (Sydney time) on a business day will generally be processed using the unit price for that day. For applications accepted after 3.00pm (Sydney time) or on a non-business day, generally the next business day’s unit price will apply.

We reserve the right not to accept (wholly or in part) any application for any reason or without reason. No interest is received on application monies, including monies for additional investments, and no interest will be paid to you if for any reason your application can not be accepted.

### **Cooling off**

If you are a retail client (as defined in the Corporations Act) investing directly in the Fund, you have a 14 day cooling-off period in which to decide if the investment is right for them.

The 14 day period commences on the earlier of:

- i) the date you receive your initial investment transaction statement; or
- ii) five business days after we issue units to you.

The amount refunded will be calculated at the day the Responsible Entity receives your written request to withdraw your investment, less any non-refundable tax or duty paid or payable. Accordingly, depending upon the circumstances, the amount refunded may be greater or less than the amount initially invested.

Cooling off rights will not apply where units are issued as part of the distribution reinvestment arrangement.

### **Foreign Account Tax Compliance Act (FATCA)**

There are certain consequences that may occur if you apply to invest and you are, or become, a US entity, a US citizen, reside in the US or have some connection with the US. These consequences may potentially be adverse to you. If this applies to you, we encourage you to seek professional taxation advice.

Based on current guidance, the Responsible Entity believes that the Fund must comply with certain requirements under FATCA, which applied from 1 July 2014. Accordingly, we may request that you provide certain information about yourself in order for us to comply with its FATCA obligations.

### **Complaints**

The Responsible Entity has in place a procedure for handling all complaints. All complaints should be made by contacting us:

Complaints Resolution Officer  
PO Box R1313  
ROYAL EXCHANGE NSW 1225  
teamcompliance@pinnacleinvestment.com.au  
phone: 1300 497 374

All complaints received will be acknowledged in writing. The Responsible Entity will act in good faith to ensure your complaint is investigated and resolved. If the issue has not been resolved within 45 days, you may be entitled to refer your complaint to the Financial Ombudsman Service. They will be able to advise you whether they can assist you in this matter. Please quote the Responsible Entity’s membership number to them, which is 10252 for Pinnacle Fund Services Limited.

The contact details for the Financial Ombudsman Service are:

Financial Ombudsman Service Limited  
GPO Box 3, Melbourne VIC 3001  
T 1800 367 287 F 03 9613 6399  
info@fos.org.au | www.fos.org.au

### **mFund**

The Fund has been admitted to mFund, the managed fund settlement service operated by the ASX, providing a convenient way for investors to apply or redeem units in the Fund. mFund allows you to settle, or pay the application price and be paid the redemption prices, based on the net asset value of the Fund. This is different to a listed fund, where the market decides the price of the units. mFund does not facilitate on-market buying and selling between investors. Your unitholdings will be CHESS sponsored by your broker and identified through your individual Holder Identification Number (HIN). See [www.mfund.com.au](http://www.mfund.com.au) for additional information.

You should read the important information about 'How to Apply' before making a decision. Go to the Additional Information to the PDS. The material relating to 'How to Apply' may change between the time when you read this PDS and the day when you sign the Application Form.

## **SECTION 9: Additional Information**

### **Continuous disclosure documents**

The Responsible Entity will comply with the continuous disclosure requirements for disclosing entities under the Corporations Act 2001. This means that copies of documents the Responsible Entity lodges with ASIC may be obtained from or inspected at an ASIC office.

The Responsible Entity will also send you free, upon request, copies of:

- the most recent annual financial report for the Fund lodged with ASIC; and
- any half year financial reports for the Fund lodged with ASIC after the lodgement of the most recent annual financial report.

Also, we will comply with our continuous disclosure obligations for the Fund by publishing material information at [www.hyperion.com.au](http://www.hyperion.com.au).

### **Additional information for New Zealand investors**

New Zealand investors may invest in the Fund under this PDS. However, the Fund is governed under Australian rather than New Zealand law and New Zealand investors should consider the differences in regulation between Australia and New Zealand in deciding whether to invest.

### **Privacy**

Investors provide the Responsible Entity with personal information when investing in the Fund and the Responsible Entity deals with this information in accordance with its Privacy Policy.

### **Consents**

Hyperion Asset Management Limited and RBC Investor Services Trust have consented to being named in this PDS in the form and context in which they are named.

Hyperion Asset Management Limited has also consented to the inclusion of statements about the extent to which it takes labour standards and environmental, social and ethical considerations into account in making investment decisions contained in section 5 of this PDS and section 3 of the Additional Information to the PDS as well as the statements about its investment philosophy included in section 1 of this PDS and section 3 of the Additional Information to the PDS. Hyperion Asset Management Limited has not authorised or caused the issue of any part of this PDS and takes no responsibility for any part of this PDS other than the inclusion of the statements referred to above.

RBC Investor Services Trust has been appointed as the Custodian and Fund Administrator for the Fund. RBC Investor Services Trust's role as Custodian is limited to holding assets of the Fund. As Fund Administrator, RBC Investor Services Trust is responsible for the day to day administration of the Fund.

RBC Investor Services Trust has no supervisory role in relation to the operation of the Fund and has no liability or responsibility to you for any act done or omission made in accordance with the Custody and Investment Administration Agreements. RBC Investor Services Trust was not involved in preparing, nor takes any responsibility for this PDS and makes no guarantee of the success of the Fund nor the repayment of capital or any particular rate of capital or income return.

You should read the important information about 'Privacy' and 'Additional Information' before making a decision. Go to the Additional Information to the PDS. The material relating to 'Privacy' and 'Additional Information' may change between the time when you read this PDS and the day when you sign the Application Form.

### **How to contact us:**

If you have any questions in relation to your investment in the Fund, please contact Hyperion as follows:

Phone: 1300 HYPERION (1300 497 374)

E-mail: [investorservices@hyperion.com.au](mailto:investorservices@hyperion.com.au)

You may also contact Pinnacle Fund Service Limited as follows:

Phone: 1300 360 306

E-mail: [service@pinnacleinvestment.com.au](mailto:service@pinnacleinvestment.com.au)



# ADDITIONAL INFORMATION TO THE PDS

## **HYPERION AUSTRALIAN GROWTH COMPANIES FUND**

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This Additional Information to the PDS is issued by Pinnacle Fund Services Limited ABN 29 082 494 362 AFSL 238371 ('we', 'our', 'us' or 'Responsible Entity'). Information in this Additional Information to the PDS forms part of the Product Disclosure Statement ('PDS') dated 19 September 2016 for the Hyperion Australian Growth Companies Fund ('Fund'). The Fund is managed by Hyperion Asset Management Limited ABN 80 080 135 897 AFSL 238380 ('Hyperion' or 'Investment Manager'). You should read this information together with the Fund's PDS in its entirety before making a decision to invest in the Fund.

For a free printed copy of this Additional Information to the PDS, please email Hyperion on [investorservices@hyperion.com.au](mailto:investorservices@hyperion.com.au) or call 1300 HYPERION (1300 497 374).

The information in this Additional Information to the PDS is general information only and does not take into account your objectives, personal financial situation or needs. You should consider the appropriateness of this information having regard to your objectives, financial situation and needs. We strongly recommend that you seek professional advice from a financial adviser before deciding to invest in the Fund.

## **SECTION 1: How the Fund Works**

### **Unit Pricing**

The Responsible Entity uses independent pricing services provided by the Fund Administrator, RBC Investor Services Trust for the valuation of the Fund's assets which is generally calculated on a daily basis. Listed investments are marked to market. Unlisted investments are valued at redemption price or at the Investment Manager's discretion. Unit prices may be viewed on the Investment Manager's website [www.hyperion.com.au/app-products/prices-and-performance](http://www.hyperion.com.au/app-products/prices-and-performance). Unit prices are based on the net asset value ('NAV') of the Fund including provision for income and expenses, which have accrued and an adjustment for a transaction cost factor (see buy/sell spread in SECTION 4 – 'Fees and Costs').

### **Unit Pricing Policy**

The Responsible Entity has a policy for unit pricing discretions it uses in relation to the Fund ('Unit Pricing Policy') for the purpose of ASIC Class Order 05/26. Additional documents may be prepared for this purpose from time to time. This document may be revised or updated to reflect changes in the constitution or the pricing policies of the Responsible Entity.

### **Distributions**

#### ***How you receive income from your investment***

The type of income you receive from your investment depends on the underlying asset classes within the Fund. Income (such as interest, dividends, realised capital gains and any entitlements to franking credits) from the Fund's investments will be paid to you via income distributions.

Where the investment activities of a Fund result in a net revenue loss (including any carried forward revenue losses from a prior period), no income distribution will be made in the period. Losses will be carried forward to be offset against future distributable income of the Fund.

Where net capital profits are realised, they are typically held over until the period ending 30 June each year and distributed thereafter, however, we retain the discretion to distribute them during any distribution period.

If held over, their value would be reflected in the unit price.

#### ***Distribution reinvestment***

Where you elect to reinvest your distributions, the distribution reinvestment price is the unit price at the end of the distribution period (without the applicable buy-spread) less the distribution per unit payable.

By electing to reinvest your distributions, you are deemed to have directed us to apply such monies towards the subscription for the number of units calculated at the relevant distribution reinvestment price.

At the time the distribution reinvestment price is set, all information that would, or would be likely to, have a material adverse effect on the realisable price of the units will be publicly available.

Investors may cancel their participation at any time by giving notice to the Responsible Entity. The cancellation will apply from the date of receipt, as long as it is at least 10 days prior to a distribution date, or such future date as nominated by you. Retrospective cancellations are not permitted.

The Responsible Entity may cancel or suspend distribution reinvestments, or modify the terms by which distribution reinvestments are permitted.

### **Applications**

Unless you are using the managed funds settlement services operated by ASX ('mFund'), you can invest in the Fund directly by completing the Application Form.

Direct applications received and accepted by the Fund Administrator prior to 3.00 pm (Sydney time) on a business day will generally be processed using the unit price for that day. For applications accepted after 3.00 pm (Sydney time) or on a non-business day, generally the next business day's unit price will apply.

The unit price used for applications on any business day is the NAV of the Fund at close of business on that day divided by the number of units on issue, plus the buy spread. The number of units in the Fund to be allotted for an application will be determined by dividing the application amount by the determined unit price for the Fund.

We reserve the right not to accept (wholly or in part) any application for any reason or without reason. If we refuse to accept an application, any monies received from you will be returned to you without interest.

If, for any reason, we are unable to process your application (for example, the Application Form is incomplete or incorrectly completed or we are not satisfied that we have received the necessary proof of identification requirements to meet our obligations under AML/CTF law), the application monies will be held by us in a non-interest bearing trust account for up to 30

days (while we endeavour to verify your identification information or obtain any necessary outstanding information) after which we will return the application monies to you.

## **Withdrawals**

Unless you are using mFund, you can withdraw some or all of your investments at any time, by written request, signed by the appropriate signatories. Redemption requests received by the Fund Administrator prior to 3.00 pm (Sydney time) on a business day will generally be processed using the unit price for that day. For redemption requests received after 3.00 pm (Sydney time) or on a non-business day, generally the next business day's unit price will apply.

The unit price used for redemptions on any business day is the NAV of the Fund at close of business on that day divided by the number of units on issue, less the sell spread.

Electronic transfer of the redemption proceeds can take up to 7 business days, however it is often completed in a shorter period of time. If your redemption request would result in your investment balance being less than \$500, the Responsible Entity may treat your redemption request as being for your entire investment. We will provide investors with advance notice of any compulsory redemption. The minimum balance does not apply to investments through an IDPS.

Please note that we only make payments to your nominated bank or financial institution account. No third party payments will be allowed. There may be circumstances, as permitted under the Fund constitution and Corporations Act, where your ability to withdraw from the Fund is restricted.

The following text contains further information on restrictions on withdrawals and should be read in conjunction with the PDS.

We may delay or suspend a withdrawal request where we are unable to realise certain assets due to circumstances outside our control, such as when there is restricted or suspended trading in assets held by the Fund, or where the Fund becomes non-liquid as defined by the Corporations Act.

The Fund will be non-liquid under the Corporations Act if it has less than 80% of liquid assets (generally cash and marketable securities). If the Fund is non-liquid, withdrawals from the Fund may only be possible if we make a withdrawal offer in accordance with the Corporations Act.

We are not obliged to make such an offer. However, if we do you will only be able to withdraw your investment in accordance with the terms of a current withdrawal offer. If an insufficient amount of money is available from the assets specified in the withdrawal offer to satisfy all withdrawal requests, the requests will be satisfied proportionately among those investors wishing to withdraw from the Fund.

If you are using mFund, you can withdraw units in the Fund in a similar way as you sell listed shares via your broker. Further information on mFund and redemptions can be found in Section 8 'How to apply' of the PDS.

## **Switches**

You may switch from one fund to another fund managed by the Investment Manager and operated by us at any time.

A switch operates as a withdrawal of units in one fund and the investment of units in the other fund and therefore may have taxation implications. Please contact a licensed financial or taxation adviser for further information.

There is no switching fee applicable as at the date of this document. However, a buy/sell spread or a contribution fee may apply to the relevant fund(s) at the time of the switch. Before making a decision to switch, you should read the relevant PDS.

## **SECTION 2: Risks of Managed Investment Schemes**

Almost any investment involves risk and investors in the Fund should be aware that investments will rise and fall in value. As a consequence, investors may lose capital or not receive a return over a given time frame.

Depending on the weighting of investments in particular assets, the Fund will have different earnings and risk profiles.

### **Rate of Return v Risk**

Generally, the greater the potential return of an investment, the greater the risk of loss. To help understand the correlation between risk and return, investors should refer to the following table where, in the second column various risks are defined and the third column shows this correlation of potential return. The shading illustrates how the categories relate to each other in terms of risk and return.

Risk Category	Description	Potential Return
<b>Conservative</b>	For investors who are looking for some growth but are mostly concerned about protecting their capital.	<b>Low</b>
<b>Moderate</b>	For investors who are looking for good long-term returns without large ups-and-downs in the short-term.	<b>Low-Medium</b>
<b>Growth</b>	For investors who are prepared to take more risk in exchange for potentially higher returns on their investments over the longer term. Growth investors are comfortable with volatility and with the possibility of negative returns.	<b>Medium-High</b>
<b>Aggressive</b>	For investors who are willing to take more risk in search of greater returns. Aggressive investors are comfortable with volatility and with the possibility of negative returns and aim to invest over a long period.	<b>High</b>

***This shading is not a projection of expected returns and is only intended to demonstrate the general risk and return relationship. Past performance is no guide to future performance and cannot be relied upon to predict the value of an investment.***

In addition to the information provided above, please refer to SECTION 4 - 'Risks of Managed Investment Schemes' of the PDS for a full explanation of the following risks:

- general risks
- product selection risk
- liquidity risk
- management risk

### Financial Advice

It is recommended that investors obtain professional advice before making any investment decision. Using the information outlined above is not a substitute for personal advice or a detailed financial plan. The information provided is only a guide to help investors consider their approach to investing. It is recommended that investors speak with an adviser to decide on an investment strategy that is best suited for them.

## SECTION 3: How We Invest Your Money

Hyperion is a high conviction growth style manager that specialises in identifying and investing in quality Australian and global equities. Hyperion's proprietary investment process produces a relatively concentrated portfolio of high quality companies with predictable earnings and superior growth potential.

Hyperion's competitive advantage is summarised in three points:

- **Process** – Hyperion buys the highest quality growth businesses at an attractive valuation based on a thoroughly researched long-term view. Hyperion exploits other market participants' focus on the short-term, market sentiment and indices because Hyperion thinks and acts more like a business owner, rather than a stock picker;
- **People** – The core investment team has been together since 1998 and remains stable, experienced and well resourced to handle future growth. The same team that developed their proprietary investment process are shareholders in the company as well as having substantial personal investments in their managed products. The result is that clients can feel confident Hyperion's objectives are fully aligned with theirs; and
- **Product** – Hyperion's process produces high conviction benchmark insensitive portfolios with excellent after-tax efficiency. Hyperion has an established long-term track record of outperformance and is well positioned for both the peaks and troughs of an equity investment cycle.

### Philosophy and Process

Hyperion believes that it can achieve consistent above average investment returns over a rolling five year period by investing in high quality, predictable businesses with superior growth prospects and attractive risk-adjusted return profiles.

- **Investments should outperform the risk-free rate**

Hyperion's view is that the true test of an investment is its performance relative to the 10 year Government bond rate (long-term risk-free rate). Investors should be rewarded with excess returns over the risk-free rate as compensation for investing in assets that carry risk.

Accordingly, Hyperion’s proprietary weightings matrix determines the relative holdings of each investment for maximum performance. The matrix is based on a stock’s expected return adjusted for risk vis-à-vis the risk-free rate because, for Hyperion, risk is not simply a deviation from an index, but the extent to which Hyperion expects to meet or exceed its client’s required financial outcome.

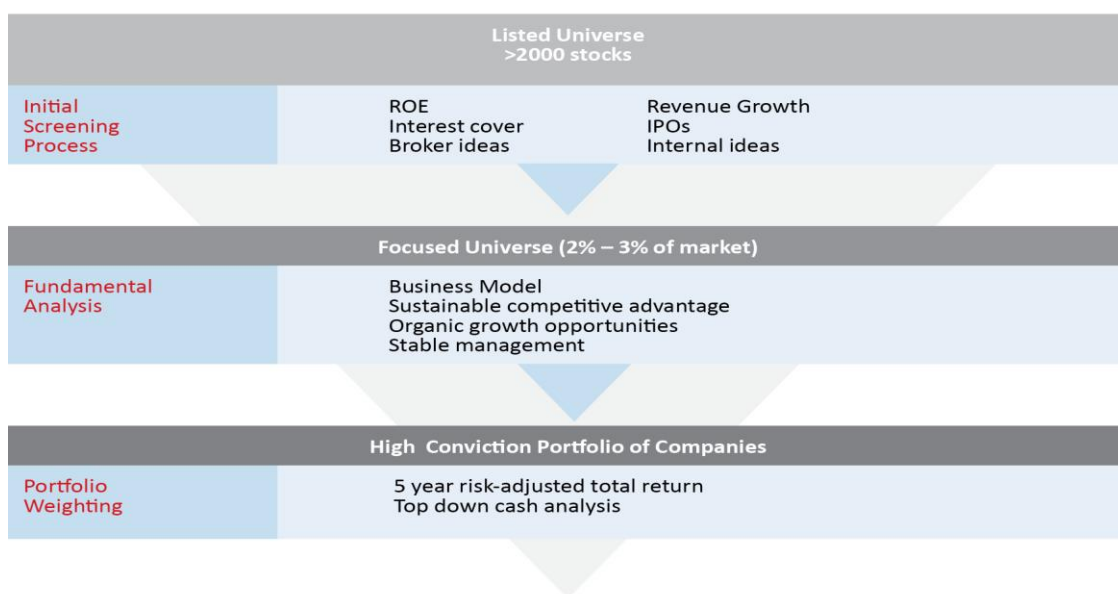
- **The price one pays determines the ultimate long-term return**

Short-term sentiment often overrides fundamental value as one of the major drivers of share prices. Hyperion adds value to the investment process by exploiting these market movements when attractive entry opportunities arise for those companies with superior economics.

- **High quality growth companies outperform over the longer term**

Rather than rely on investment houses and their research departments, which are motivated by generating trades, Hyperion conducts its own proprietary research. Hyperion’s focus is on identifying predictable companies with significant growth potential. As a result, Hyperion concentrates on a smaller number of companies with quality business models and stable management.

Hyperion’s three step process encapsulates its philosophy by carefully screening out all but the highest quality companies and constructing benchmark insensitive portfolios from the remaining ‘universe’, weighted according to risk adjusted five year total returns.



### Labour Standards or Environmental, Social or Ethical Considerations

Hyperion takes into account labour standards or environmental, social or ethical considerations once it becomes aware of them, but only to the extent that they will affect the future financial performance of the investment. Hyperion is a signatory to the United Nations-initiated Principles for Responsible Investment ([www.unpri.org](http://www.unpri.org)), which promotes the inclusion of environmental, social and governance issues into investment analysis and decision-making processes.

Hyperion believes that labour standards or environmental, social or ethical considerations impact on a company’s ability to sustain a competitive advantage in its marketplace. Hyperion believes that companies that do not adhere to good practices in labour standards and do not uphold acceptable practices with regard to environmental, social or ethical considerations will be out-competed over time by other industry participants and potential new entrants. Hyperion believes that such companies are unlikely to be able to sustain high rates of return on equity. For this reason, Hyperion does not invest in companies that do not possess (in Hyperion’s judgement) a sustainable competitive advantage (SCA).

The SCA of a company Hyperion invests in is monitored continually as a core part of its investment process. The process of monitoring labour standards or environmental, social or ethical considerations requires a subjective judgement as to the effect of those considerations on a company’s SCA by Hyperion’s investment team. Once Hyperion determines that a company fails its tests for SCA, the shares in the company will be sold in their entirety.

## SECTION 4: Fees and Costs

### Fee Table

The following table shows the fees and costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the Fund assets as a whole. This information should be read in conjunction with the PDS.

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

Type of Fee or Cost	Amount (including GST)	How and When Paid
<b>Fees when your money moves into or out of the Fund<sup>1</sup></b>		
<b>Establishment Fee</b>		
The fee to open your investment.	Nil	Not applicable
<b>Contribution Fee</b>		
The fee on each amount contributed to your investment either by you or your employer.	Nil	Not Applicable
<b>Withdrawal Fee</b>		
This is the fee charged on each amount you take out of your investment.	Nil	Not Applicable
<b>Termination Fee</b>		
The fee charged to close your investment.	Nil	Not Applicable
<b>Management Costs</b>		
The fees and costs for managing your investment. <sup>2</sup>	<b>Management fee</b> 0.95% p.a. of the gross asset value of the Fund	Calculated daily and paid monthly. Extraordinary expenses are paid from the Fund assets as and when incurred. <sup>3</sup>
<b>Service Fees</b>		
Investment switching fee: The fee for changing investment options	Nil	Not applicable

1. You will incur a buy/sell spread when your money moves in or out of the Fund. Refer to information on the buy/sell spread under 'Additional Explanation of Fees and Costs' below.
2. Fees and costs may be negotiated with wholesale clients. Refer to information on management costs under 'Additional Explanation of Fees and Costs' below.
3. Refer to information on extraordinary expenses under 'Additional Explanation of Fees and Costs' below.

## Additional Explanation of Fees and Costs

### Buy/Sell Spread

The buy/sell spread is the difference between the entry and exit price for the Fund. It is a set amount that is factored into the unit price paid by investors when they transact and is an additional cost to the investor. This fee is retained by the Fund to cover the transaction costs associated with investing or selling Fund investments when investors apply for, or redeem, units in the Fund. The buy/sell spread for the Fund is 0.6% of the unit price (i.e. 0.3% in / 0.3% out).

For example, if \$50,000 was invested in, or withdrawn from, the Fund the cost of your buy/sell spread would be \$150 in and \$150 out.

### Transaction Costs

There are no transaction costs associated with investing in the Fund other than the buy/sell spread.

### Management Costs

Management costs include the management fee payable to the Investment Manager for managing the Fund and the operational expenses incurred in relation to the operation of the Fund (excluding transaction costs).

The Investment Manager will pay management costs out of the management fee. Therefore, for this Fund, the management fee reflects the total management costs.

### **Extraordinary Expenses**

In general, the management costs are all that will be charged. However, under certain circumstances specific extraordinary expenses may be paid directly by the Fund. Extraordinary expenses are not of an ongoing nature. Examples of this type of expense include:

- convening of a unitholders' meeting
- amending of the Fund constitution
- replacement of the Responsible Entity
- termination of the Fund
- defending or bringing of litigation proceedings

### **mFund Costs**

For investors using mFund, your broker may charge you a fee to help you acquire or redeem units in the Fund.

### **Differential Fees**

The Responsible Entity may negotiate the management fee of the Fund with wholesale clients (as defined in the Corporations Act 2001) on a case by case basis. The Responsible Entity takes into account relevant factors which may include the size of the wholesale client's investment. The Responsible Entity is not permitted to enter into individual fee arrangements with other investors.

## **SECTION 5: How Managed Investment Schemes are Taxed**

### **Taxation**

Investors are at all times beneficially entitled to receive the income of the Fund.

Income (including any capital gains distributed by the Fund) distributed to an investor, reinvested on behalf of the investor or declared but unpaid for the relevant tax period by the Fund, will generally form part of the investor's assessable income and must be disclosed in the investor's income tax return.

Where investments in the Fund are made by an IDPS on each investor's behalf, the custodian holds title to the investments. However, each investor beneficially owns their investment portfolio, and their taxation liability will be based on each investor's investment portfolio.

Assessable income may not be equal to any cash distributed to an investor (or invested on behalf of the investor) during that year. The benefits of any imputation rebates or foreign tax credits will generally be passed on to investors who should disclose these components as part of their assessable income in their relevant income tax return.

Capital gains tax may also be payable on redemptions from the Fund.

Any capital gain may be assessable. Capital losses that arise from the sale of investments can only be offset against capital gains made in the current year or, in general, be carried forward indefinitely to offset future capital gains.

The above information is an outline of some tax laws.

Tax laws are subject to constant change. The application of tax laws depends upon an investor's individual circumstances and investors should seek professional advice on the taxation implications of investing in the Fund.

### **Tax File Number**

Investors have the choice of whether or not to quote their Tax File Number ('TFN') when they open a Fund account. The investor does not have to quote a TFN, but it is a requirement of relevant taxation laws that the Responsible Entity must withhold tax (plus Medicare levy) from income distributions to the investor if the investor has not quoted their TFN or provided appropriate exemption information. Collection of TFN information is authorised and its use and disclosure are strictly regulated by the taxation laws and the *Privacy Act*.

If you are exempt from quoting a TFN, please quote the equivalent Australian Taxation Office (ATO) code in the TFN space provided (e.g. Aged pension = 444 444 441H).

### **Foreign Account Tax Compliance Act ('FATCA')**

There are certain consequences that may occur if you apply to invest and you are, or become, a US entity, a US citizen, reside in the US or have some connection with the US. These consequences may potentially be adverse to you. If this applies to you, we encourage you to seek professional taxation advice.

Based on current guidance, the Responsible Entity believes that the Fund must comply with certain requirements under FATCA that applied from 1 July 2014. Accordingly, we may request that you provide certain information about yourself in order for us to comply with its FATCA obligations.

### **Goods and Services Tax ('GST')**

Unless otherwise stated, the fees and costs quoted in the PDS and this Additional Information to the PDS are GST inclusive amounts, net of any expected reduced input tax credits.

If for any reason, the Fund is not eligible to receive an input tax credit from the Australian Taxation Office for expenses incurred or the extent to which input tax credits can be claimed are reduced, the additional GST costs would be incurred by the Fund.

## **SECTION 6: How to Apply**

### **Completing the Application Form**

For direct applications, Application Forms should be completed and mailed to the Fund Administrator. A completed Application Form is a standing instruction to the Responsibility Entity to invest further applications in the same way, unless the investor otherwise advises in writing.

### **Incomplete Applications**

Application money accompanying an incomplete application will be retained in a non-interest bearing trust account for up to 30 days pending receipt of the required information.

### **Declaration**

Please sign the Application Form including the appropriate declaration. All applicants must sign. Corporate applicants may sign under common seal or by their authorised officers. If signing under a power of attorney, you are certifying that the power of attorney has not been revoked (a certified copy of power of attorney must be submitted with the application unless the Responsible Entity has already sighted it).

### **Effect of the Application Form**

In addition to the acknowledgments contained in the declaration on the Application Form, by completing and signing the Application Form, the investor:

- (a) agrees to be bound by the provisions of the Fund constitution;
- (b) acknowledges having read and understood the PDS, including this document;
- (c) authorises the provision of information relating to the investor's account to the named financial adviser, and any other person authorised by that adviser, from time to time;
- (d) authorises the use of the TFN information provided on the Application Form in respect of the investor's Fund account;
- (e) acknowledges that neither the Responsible Entity, its respective holding companies and officers, nor the Investment Manager and its respective officers and holding companies, guarantees the capital invested by investors or the performance of the specific investments of the Fund;
- (f) acknowledges that the provision of the product available through the PDS should not be taken as the giving of investment advice by the Investment Manager or the Responsible Entity, as they are not aware of the investor's investment objectives, financial position or particular needs;
- (g) acknowledges that the investor is responsible for ensuring that the information on the Application Form is complete and correct;
- (h) acknowledges that neither the Responsible Entity nor its agents are responsible where a loss may be suffered as a result of the investor providing incorrect or incomplete information;
- (i) agrees that the Responsible Entity may:
  - 1) require the investor to provide any additional documentation or other information and perform any acts to enable compliance with any laws relating to anti-money laundering and counter terrorism financing ('AML'), including FATCA, or any other law;
  - 2) at its absolute discretion and without notice to the investor, take any action it considers appropriate including blocking or delaying transactions on the investor's account or refuse to provide services to the investor to comply with any law relating to AML or any other law; and
  - 3) in its absolute discretion and without notice to the investor report any, or any proposed, transaction or activity to anybody authorised to accept such reports relating to AML or any other law; and



- (j) acknowledges that the Responsible Entity is required to collect the investor's personal information under the Corporations Act 2001 and the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 and agrees that information provided may be used as detailed in the PDS and the Responsible Entity's Privacy Policy.

## Electronic PDS

The Application Form may only be distributed when accompanied by a complete and unaltered copy of the relevant PDS. The Application Form contains a declaration that the investor has personally received the complete and unaltered PDS prior to completing the Application Form.

The Responsible Entity will not accept a completed Application Form if it has reason to believe that the applicant has not received a complete paper copy or electronic copy of the PDS or if it has reason to believe the Application Form or electronic copy of the PDS has been altered or tampered with in any way. Whilst the Responsible Entity believes that it is extremely unlikely that during the period of this PDS, the electronic version of the PDS will be tampered with or altered in any way, the Responsible Entity cannot give any absolute assurance that this will not occur.

Any investor in doubt concerning the validity or integrity of an electronic copy of the PDS should immediately request a paper copy of the PDS directly from the Responsible Entity.

## SECTION 7: Privacy

When investors apply to invest in the Fund, they acknowledge and agree that:

- they are required to provide the Responsible Entity with certain personal information to facilitate their application; and
- the Responsible Entity may be required to disclose their information to:
  - third parties carrying out functions on behalf of Responsible Entity on a confidential basis;
  - third parties if that disclosure is required by or to the extent permitted by law; and
  - an investor's adviser.

All personal information will be collected, used and stored by the Responsible Entity in accordance with our Privacy Policy, a copy of which is available on request. We will use your information for the purpose of marketing products issued by us and our related entities. To ensure that the personal information we retain about you is accurate, complete and up to date, please contact us if any of your details change, unless you have invested via mFund. For investors using mFund, please contact your broker to update your details held in the Fund. You can unsubscribe from marketing communications from us at any time by contacting us.

### Collecting and using your information

We collect information for the following purposes:

- to process your application;
- to administer your investment and provide you with reports;
- to monitor and improve the quality of service provided to you; and
- to comply with regulatory or legal requirements, including the Corporations Act, the Proceeds of Crime Act, the Financial Transaction Reports Act, the Anti-Money Laundering and Counter-Terrorism Financing Act and the Foreign Account Tax Compliance Act.

We also ask you for some personal details so that we, and our related companies, can keep in touch with you and tell you on an ongoing basis about our other products and services that could be useful to you. We may do this by telephone, electronic messages (e.g. e-mail) and other means. Please contact us if you do not wish your details to be used for marketing purposes.

We may gather information about you from a third party. These include credit agencies, financial advisers, fund managers, mFund brokers, or intermediaries and spouses. We may also collect details of your interactions with us and our products and services (including from our records of any telephone and e-mail interactions).

If you provide someone else's personal information to us, you must ensure that they first agree on the basis of this privacy section.

### Disclosing your information

We exchange your personal information with your consultant/adviser and third parties appointed by your consultants/adviser if you complete the Authorised Representative Form, or if you request us to, and to any other authorised representative of yours (such as your accountant or lawyer) from time to time. In addition, we may exchange personal information about you in the following circumstances:

- you consent to the disclosure;

- with any joint investor;
- with companies that provide services to us, to our related companies, to the Fund, or on our behalf (and our related companies may also exchange personal information with these companies) on the basis that they deal with such information in accordance with their respective privacy policies - for example administration, custody, investment management, technology, identity verification, auditing, registry, mailing or printing services. These service providers may be located outside Australia where your personal information may not receive the same level of protection as that afforded under Australian law;
- where required or authorised by law, which may include disclosures to the Australian Taxation Office and other Government or regulatory bodies; or
- with organisations related to us such as Pinnacle Investment Management Limited and its related bodies corporate, whether in Australia or any overseas jurisdiction.

## **SECTION 8: Additional Information**

### **Appointment of Authorised Representative**

A person appointed as your authorised representative is authorised by you to:

- apply for units in the Fund and sign all documents necessary for this purpose;
- make requests to redeem all or some of your units (receipt by the authorised representative or as directed by the authorised representative fully discharges our redemption obligations to you); and
- make written requests for information regarding your units.

The Responsible Entity may act on the sole instructions of the authorised representative until it is notified that the appointment of the authorised representative is terminated. You can cancel your appointment of the authorised representative by giving the Responsible Entity 14 days prior notice, as permitted by law.

Termination of an appointment does not prejudice the following statement. By appointing an authorised representative, you agree to release, discharge and indemnify us from and against any loss, expense, action, claims or other liability which may be suffered by you or brought against us for any actions or omissions by you or your authorised representative, whether authorised or not by you or your authorised representative.

Any request for information by an authorised representative will be responded to in writing only. Such written responses will be sent to the authorised representative's e-mail/fax/residential address nominated on the Authorised Representative Form.

If an authorised representative is a partnership or a company, any one of the partners or any director of the company is each individually deemed to have the powers of the authorised representative. It is sufficient for us to show that we had reasonable grounds for belief that an action was taken or a request given by or for an authorised representative when determining whether an action or request was taken or given by the authorised representative.

### **Continuous Disclosure**

The Fund is a disclosing entity under the Corporations Act so the Responsible Entity is subject to continuous disclosure obligations. This includes the requirement to prepare annual and half yearly financial reports for the Fund and disclose information to investors, which may have a material effect on the price or value of units or would be likely to influence persons who commonly invest in securities, in deciding whether to acquire or dispose of units.

The Responsible Entity intends to comply with its continuous disclosure obligations by posting on Hyperion's website [www.hyperion.com.au](http://www.hyperion.com.au) all continuous disclosure information.

Copies of documents lodged with ASIC in relation to the Fund may be obtained from, or inspected at, an ASIC office. In addition to this, you have a right to request a copy of the annual financial report most recently lodged with ASIC and, if available, any half-yearly financial report and continuous disclosure notices that have been lodged after the annual report, but before the date of this PDS. We are required to send you a copy (free of charge) within five days of receiving your request.

### **Investor Reporting**

- **Confirmation Statement**

A statement of confirmation will be sent to you for your initial investment, as well as any additional investments and withdrawals.

- **Distribution Report**

A distribution statement will be sent to you in the month following the end of a distribution period, detailing your income distribution and current balance.

- **Tax Statement**

After making any distribution for the period ended 30 June each year, an annual taxation statement will be forwarded to you.

- **Periodic Statement**

You will receive a transaction statement on a half-yearly basis. The transaction statement will provide you with the total value of your investment as at the end of that period, including any switches, withdrawals, investments and distributions received.

- **Annual Financial Report**

Refer to Hyperion's website [www.hyperion.com.au/products/australiangrowth](http://www.hyperion.com.au/products/australiangrowth) to access the annual financial report for the Fund, detailing the financial performance of the Fund for the financial year ending 30 June, by 30 September each year.

### **Warning Statement – Issues to NZ Investors**

- This offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 (Aust) and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.
- This offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 (Aust) and the regulations made under that Act set out how the offer must be made.
- There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.
- The rights, remedies and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies and compensation arrangements for New Zealand financial products.
- Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.
- The taxation treatment of Australian financial products is not the same as for New Zealand financial products.
- If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.
- The offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars.
- The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.
- If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.
- The dispute resolution process described in this offer document is available only in Australia and is not available in New Zealand.