

HYPERION SMALL GROWTH COMPANIES FUND PRODUCT DISCLOSURE STATEMENT

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Issued by Pinnacle Fund Services Limited

ABN 29 082 494 362 AFSL 238 371

Important Information

This Product Disclosure Statement ('PDS') provides a summary of significant information you need to make a decision about the units ('units') in the Hyperion Small Growth Companies Fund (ARSN 089 548 943) ('Fund'). The PDS should be considered before making a decision to invest in the Fund. You can access the PDS on the internet at www.hyperion.com.au or contact investorservices@hyperion.com.au or call 1300 497 374 for a copy.

Pinnacle Fund Services Limited ABN 29 082 494 362, AFSL 238371 is the responsible entity ('Responsible Entity', 'RE', 'we', 'our', 'us') of the Fund.

The Responsible Entity has appointed Hyperion Asset Management Limited ABN 80 080 135 897 AFSL 238380 ('Hyperion' or 'the Investment Manager'), to manage the assets of the Fund. Pinnacle Fund Services Limited is wholly owned by Pinnacle Investment Management Limited ABN 66 109 659 109 ('Pinnacle').

None of the Responsible Entity, Pinnacle, and 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.

The information in this PDS is general information only. To the extent the information in this PDS constitutes financial product advice, such advice does not take into account your individual objectives, personal financial situation or needs. Before investing, you should consider the appropriateness of the advice in light of your own objectives, financial situation and needs. We strongly recommend that you consult a licensed financial adviser to obtain financial advice that is tailored to suit your personal circumstances. You should also read this PDS before making any decision about whether to acquire units.

The investment offered in this PDS is available only to persons receiving this PDS (electronically or in hard copy) within Australia. Units in the Fund may not be offered or sold within the US, or sold to, or for the account or benefit of, any 'US Persons' (as defined in Regulation S of the US Securities Act 1933, as amended).

All monetary amounts referred to in this PDS are given in Australian dollars and all phone/fax numbers are to phone/fax numbers in Australia (unless otherwise stated).

A reference to a 'business day' is a reference to a day which is not a Saturday, Sunday or public holiday in New South Wales, Australia.

The information in this PDS may change over time. We may update this information where this does not involve a material adverse change and make it available to you, where permitted by law, at www.hyperion.com.au. You can also obtain updated information by contacting investorservices@hyperion.com.au or calling 1300 497 374. A paper copy of any updated information is available free on request. If a change is considered materially adverse, we will issue a supplementary PDS. The Fund is a digital product and by making an application to acquire a Unit, you agree to receive certain communications and disclosures in relation the Fund and Units in digital form.

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1. Key features of the Fund

For more information on each of the features, please refer to the relevant sections below.

Feature	Summary	Section
Responsible Entity	Pinnacle Fund Services Limited	2.1
Investment Manager	Hyperion Asset Management Limited	2.2
Custodian and Administrator	RBC Investor Services Trust	2.3
Investment objective	To achieve medium to long-term capital growth and income through investing in high calibre Australian companies primarily listed outside the S&P/ASX 100 Index, at the time of initial investment.	5
Benchmark	S&P/ASX Small Ordinaries Accumulation Index	5
Minimum suggested investment timeframe	5 years	5
Risk level	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.	4.2
Minimum initial investment[^]	\$20,000	10.1
Minimum additional investments[^]	\$1,000 or \$200 for investments via a regular investment plan	11.1
Minimum investment balance[^]	\$5,000	10.2
Minimum withdrawal amount[^]	\$5,000	10.2
Cut-off times	3:00pm Sydney time on any business day	10.1, 10.2
Fees and expenses	Management Fee 1.25%p.a. of the Gross Asset Value of the Fund, plus a Performance Fee of 15% of the Fund's excess return versus its benchmark, net of the management fee.	8
Buy/Sell spread	+ 0.30% / - 0.30%	8.3
Distributions	Quarterly	6.3

[^] Or less, at the discretion of the Responsible Entity.

2. About Pinnacle Fund Services Limited

2.1 Pinnacle Fund Services Limited

Pinnacle Fund Services Limited ABN 29 082 494 362, AFSL 238371 is the responsible entity ('Responsible Entity', 'RE', 'we', 'our', 'us') of the Hyperion Small Growth Companies Fund ARSN 089 548 943 ('Fund').

Pinnacle Fund Services Limited is wholly owned by Pinnacle Investment Management Limited ABN 66 109 659 109 AFSL 322140 ('Pinnacle'). Pinnacle supports the development of high quality investment management businesses and is the distributor of the Fund.

2.2 Hyperion Asset Management Limited

We have appointed Hyperion Asset Management Limited ABN 80 080 135 897 AFSL 238380 ('Hyperion' or 'the Investment Manager') as the investment manager of the Fund.

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

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.

2.3 RBC Investor Services Trust

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.

3. Benefits of investing in the Fund

Significant features

The Fund invests primarily in Australian listed companies excluded from the S&P/ASX 100 Index at the time of initial investment, with some exposure to cash.

Further details of the Fund are set out later in this PDS in 'How We Invest Your Money'

Significant benefits

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

- high conviction portfolio of quality Australian listed equities from a research driven, bottom-up investment philosophy; and
- Professional, disciplined management of an investment portfolio by Hyperion's experienced funds management team.

4. Risks

4.1 Risk profile

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

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 risk categories are defined and the third column shows this correlation of potential return.

Risk Category	Description	Potential Return*
Conservative	For Investors who are looking for some growth but are mostly concerned about protecting their capital.	Low
Moderate	For Investors who are looking for good long-term returns without large ups-and-downs in the short-term.	Low-Medium
Growth	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.	Medium-High
Aggressive	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.	High

*Past performance is no guide to future performance and cannot be relied upon to predict the value of an investment.

Financial Advice

It is recommended that investors obtain professional advice before making any investment decision. Using the categories 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 investors speak with an adviser to decide on an investment strategy that is best suited for them.

4.2 Risks of Managed Investment Schemes

All investments carry risk.

Different strategies can 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 risk. The value of investments and the level of returns will vary. Future returns may differ from past returns and past performance is not a reliable guide to future performance.

None of the Responsible Entity, Pinnacle and Hyperion, their directors, associates nor any of their related bodies corporate (as defined in the Corporations Act) guarantee the success of the Fund, the repayment of capital or any particular rate of capital or income return. Investments in the Fund are not guaranteed or underwritten by the Responsible Entity, Pinnacle or Hyperion or any other person or party and you may lose some or all of your investment.

Some of the key risks that may impact the value of your investment in the Fund are outlined below. You need to consider the level of risk that you are comfortable with, taking into account factors such as your objectives, financial situation and needs.

Risks can be managed but cannot be completely eliminated. It is important to understand that:

- the value of your investment may go up and down;
- investment returns may vary and future returns may be different from past returns;
- returns are not guaranteed and there is always the chance that you may lose money on any investment you make; and
- laws affecting your investment may change over time, which may impact the value and returns of your investment.

You need to consider the level of risk that you are comfortable with, taking into account factors such as your objectives, financial situation and needs.

Active management risk	The risk that the Investment Manager's active management of the fund may deviate from the benchmark and cause underperformance.
Concentration risk	The Fund will hold a small number of investments. This will result in the returns of the Fund being dependent on the returns of individual companies and industry sectors. This concentration of exposures may increase the volatility of the Fund's unit price and increase the risk of poor performance. It may also result in the Fund's returns differing significantly from its benchmark.
Counterparty risk	This is the risk that any of the counterparties which the Fund deals with may default on their obligations to pay monies or deliver securities or services to the Fund. This may result in a loss.
Fund performance 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.
General risk	<p>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.</p> <p>The Fund's earnings and value are determined by the earnings and value of the assets of the Fund. The earnings and value of the assets may be 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.</p>
Investment risk	The Fund has exposure to share markets. The risk of an investment in the Fund is higher than an investment in a typical bank account or fixed income investment. The Fund is not a cash fund and is not expected to behave like a cash investment. Amounts distributed to unitholders may fluctuate, as may the Fund's unit price. The unit price may vary by material amounts, even over short periods of time, including during the period between a redemption request or application for units being made and the time the redemption unit price or application unit price is calculated.
Liquidity risk	Whilst the Fund is primarily exposed to assets traded on any Australian exchanges which are generally considered liquid, under extreme market conditions, there is a risk that investments cannot be readily converted into cash or at an appropriate price. In these circumstances, the Fund may be unable to liquidate sufficient assets to meet its obligations within required timeframes, including payment of withdrawals, or it may be required to sell assets at a substantial loss in order to do so.

Regulatory risk	The value of some investments may be adversely affected by changes in government policies, regulations and laws, including tax laws and laws affecting registered managed investment schemes.
Security 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.
Specific investment risk	Investments in shares in a company can fall in value for many reasons such as changes in internal operations, management or the business environment in which the company operates. These factors may not be predictable or identifiable prior to their impact on the market value of shares.

5. How we invest your money

5.1 How the Fund operates

The Fund invests in a high conviction portfolio of quality Australian equities primarily listed outside the S&P/ASX 100 Index at the time of initial investment, using a research driven, bottom up investment philosophy.

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.

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.

5.2 About the Hyperion Small Growth Companies Fund

Investment objective	To achieve medium to long-term capital growth and income through investing in high calibre Australian companies primarily listed outside the S&P/ASX 100 Index, at the time of initial investment.	
Benchmark	S&P/ASX Small Ordinaries Accumulation Index	
Currency	Australian Dollars	
Suggested Minimum Investment Period	5 years	
Risk Profile	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.	
Fund asset classes	Asset Class	Investment Range[#]
	Australian Equities	80% – 100% [^]
	Cash Equivalent	0% – 20%
	Cash target	5%
Labour standards or environmental, social or ethical considerations	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.	
Borrowings	The Responsible Entity is not permitted to borrow or give a security over the assets of the Fund for any such borrowing.	

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

5.3 Investment process and portfolio construction

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 short-term stock trader;
- **People** The Hyperion investment team has been managing client portfolios since 1996 and is experienced and well-resourced to handle future growth. The same team that developed our proprietary investment process are shareholders in the company as well as having substantial personal investments in our 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.

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

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.

Philosophy and Process

Hyperion believes that it can achieve above average investment returns over the long-term by investing in high quality, predictable businesses with superior growth prospects and attractive risk-adjusted return profiles.

Investments should outperform the risk-free rate

We structure our portfolios with the security weightings determined by forecast long-term risk adjusted returns rather than an index weighting. Without an index constraint we can focus on our clients' requirement of sustained long-term wealth creation.

We believe that all investments should start with reference to the long-term return available on risk-free assets plus a margin that rewards investors for the extra risk of owning equities.

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 buying opportunities arise for those companies with superior economics.

High quality growth companies outperform over the longer term

We focus on identifying proven high-quality businesses with superior long-term structural growth opportunities arising from their sustainable competitive advantage (including a sound business model and proven quality management). Sustained excess growth in earnings and dividends leads to greater returns to shareholders over the long-term.

Identification of high quality companies with attractive valuation metrics allows us to deliver strong investment returns with an acceptable level of risk. We attempt to minimise individual security risk by holding 15 to 30 companies in our portfolios and only investing in the highest quality businesses available in our universe.

5.4 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 of Responsible Investment (www.unpri.org), which promotes the inclusion of the environmental, social and governance issues into investment analysis and decision-making processes. 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.

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.

5.5 Change to Fund details

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 <https://www.hyperion.com.au/hyperion-small-growth-companies-fund/> and the mFund website www.mfund.com.au or as otherwise required by law.

6. How the Fund works

6.1 Valuation

All assets within the Fund are usually valued every business day. More frequent valuations are permitted under the constitution and we may revalue the Fund's assets more frequently if it is considered appropriate.

We may also revalue the Fund less frequently in certain circumstances. The Gross Asset Value ('GAV') of the Fund equals the market value of the assets. The Net Asset Value ('NAV') of the Fund attributable to the units is obtained by deducting any liabilities from the GAV attributable to the units.

6.2 Unit prices

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 and unlisted investments are valued at redemption price or at the Investment Manager's discretion.

The entry price is calculated by taking the NAV of the Fund apportioned to the units 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 NAV of the Fund apportioned to the units 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.

After a distribution is paid, the unit price usually falls by an amount similar to that of the distribution per unit. This means that if you invest just before a distribution, the unit price may already include income that you would be entitled to receive at the distribution date. Consequently, by investing just before a distribution, you may have some of your capital returned as income.

This could affect your overall tax position and we recommend you seek professional taxation advice.

The current unit prices and NAV for the Fund is available on Hyperion's website <https://www.hyperion.com.au/prices-performance/> or can be obtained by contacting us on 1300 497 374 or by emailing investorservices@hyperion.com.au.

The Responsible Entity complies with ASIC Class Order 13/655 as it relates to unit pricing requirements and has adopted a compliant policy for unit pricing discretions it uses in relation to the Fund ('Unit Pricing Policy'). 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.

6.3 Income 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 Fund may not make a distribution during a period where the Fund's realised losses and other expenses exceed its income.

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).

How you receive income from your investment

Income (such as interest, dividends and realised capital gains) from investments in the Fund will be paid to you via income distributions.

Where the investment activities of the 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 may be distributed each period or alternatively, partly or wholly held over until the period ending 30 June each year. If held over, their value would be reflected in the unit price.

Impact of investing just before the end of a distribution period

After a distribution is paid, the unit price usually falls by an amount similar to that of the distribution per unit. This means that if you invest just before a distribution, the unit price may already include income that you would be entitled to receive at the distribution date. Consequently, by investing just before a distribution, you may have some of your capital returned as income. This could affect your taxation position and we recommend you seek professional taxation advice.

Distribution reinvestment

Distributions will be automatically re-invested for investors unless they advise otherwise. 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. All units allotted as part of the distribution reinvestment will rank equally in all respects with existing units in the same class.

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 elect to have their distributions paid as cash any time by giving notice to the Responsible Entity. The change will apply from the date of receipt, as long as it is at least 10 days prior to a distribution date, or such later date as nominated by you.

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

7. How we keep you informed

7.1 Statements and reports

For the most up to date information on your investment visit www.hyperion.com.au. At the Hyperion website you can:

- access PDS documents and the annual financial reports for the Fund;
- download the application form and other administration forms;
- monitor unit prices, investment performance, and changes to the Fund; and
- read the latest views and opinions of Hyperion's investment team.

Confirmation statement

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

Transaction 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 taxation statement

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

Distribution statement

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.

Financial report

The annual financial report for the Fund you are invested in, detailing the financial performance of the Fund for the financial year ending 30 June, can be downloaded from www.hyperion.com.au by 30 September each year.

mFund investors

Investors who have transacted via mFund will also receive CHES holding statements at the end of that month. Investor may also access information on the Fund via the mFund website at www.mfund.com.au.

7.2 Continuous disclosure

The Responsible Entity will comply with the continuous disclosure requirements for disclosing entities under the Corporations Act where the Fund is a disclosing entity. This means that the Fund

will be subject to regular reporting and disclosure obligations and copies of documents the Responsible Entity lodges with ASIC for the Fund 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;
- any half year financial reports for the Fund lodged with ASIC after the lodgement of the most recent annual financial report and before the date of the relevant PDS; and
- any continuous disclosure notices given by the Fund after the lodgement of that annual report and before the date of the PDS.

Also, we will comply with our continuous disclosure obligations for the Fund by publishing material information at www.hyperion.com.au.

8. Fees and costs

8.1 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) has a managed funds fee calculator to help you check out different fee options.

8.2 Overview of fees and costs

This section provides summary information about the main fees and costs that you may be charged for the Fund. The fees and costs charged by the Fund may be deducted from your account, from the returns on your investment or from the Fund's assets as a whole.

This table shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the assets of the Fund as a whole. Refer to information in relation to 'Taxation' in section 9.

Type of fee or cost ¹	Amount	How and when paid
Fees when your money moves in or out of the Fund		
Establishment fee		
The fee to open your investment.	Nil	Not applicable
Contribution fee		
The fee on each amount contributed to your investment.	Nil	Not applicable
Withdrawal fee		
The fee on each amount you take out of your investment.	Nil	Not applicable

Type of fee or cost ¹	Amount	How and when paid
Exit fee		
The fee to close your investment.	Nil	Not applicable
Management costs^{2,3}		
The fees and costs for managing your investment ² . Such fees and costs are calculated in accordance with enhanced fee disclosure regulations. No indirect (costs payable due to investing in interposed vehicles) or operational costs are payable	<ol style="list-style-type: none"> 1. Management fee of 1.25% p.a., plus a 2. Performance fee of 15% of the Funds excess return versus its benchmark, net of the management fee. 	<p>The management fee is calculated on the Gross Asset Value of the Fund and reflected in the daily unit price and payable monthly in arrears from the Fund.</p> <p>The performance fee is calculated and accrued each business day and is reflected in the daily unit price. The performance fee is payable half-yearly as at 30 June, and 31 December, if applicable.⁴</p> <p>Extraordinary expenses are paid from the Fund assets as and when incurred.</p>
Service fees		
Switching fee⁴		
The fee for changing investment options.	Nil	Not applicable

1. Fees are inclusive of GST and of any applicable reduced input tax credits ('RITC').
2. Fees and costs may be negotiated with wholesale clients – please refer to 'Differential fee arrangements' in 'Additional explanation of fees and costs' below for further information.
3. When money moves in or out of the Fund, you may incur a buy/sell spread which is included in the unit price of the Fund. Refer to 'Buy/Sell spread' in 'Additional explanation of fees and costs' below for more information.
4. The Fund's benchmark is the S&P / ASX Small Ordinaries Accumulation Index. Refer to 'Performance fees' information in 'Additional explanation of fees and costs' below for further information.

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 (1) year period. You should use this table to compare this product with other managed investment products.

Example		Balance of \$50,000 with a contribution of \$5,000 during the year.
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged \$0.
PLUS management costs	1.25% p.a. comprised of 1.25% p.a. management fee plus estimated performance fee of 0.00% p.a. ¹	And for every \$50,000 you have in the Fund you will be charged \$625 (comprising \$625 management fee and estimated performance fee of \$0) each year ¹ .

EQUALS cost of Fund

If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during the year², you will be charged a fee of **\$625**.

What it costs you will depend on the investment option you choose and the fees you negotiate.

1. This example includes a performance fee estimate of 0%, which is calculated as the actual performance fee for the financial year ended 30 June 2018 as a percentage of total average net assets. Past Performance is not a reliable indicator of future performance. The performance fee payable (if any) will depend on the performance of the Fund and previous performance fees may not be a reliable indicator of future performance fees of the Fund.
2. The example assumes management costs are calculated on a balance of \$50,000 with the \$5,000 contribution occurring at the end of the first year. Therefore, management costs are calculated using the \$50,000 balance only. Additional fees may apply, including a buy/sell spread (refer to further information below).

8.3 Additional explanation of fees and costs

Performance fees

Depending on how well the Hyperion Small Growth Companies Fund performs, the Investment Manager may be entitled to receive a Performance Fee.

The Performance Fee is equal to 15% of the Fund's return (net of Management Fees) relative to its benchmark return, multiplied by the NAV of the Fund. The Fund's performance benchmark is the S&P/ASX Small Ordinaries Accumulation Index. If the index ceases to be published, we will nominate an equivalent replacement index.

The Investment Manager will only be paid the Performance Fee if the following hurdles are first met:

- a) the Fund's return net of Management Fees and Extraordinary Expenses must exceed the performance of the benchmark at the end of the six-month period; and
- b) the Fund's return net of Management Fees and Extraordinary Expenses must be 0.0% or greater at the end of the six-month period; and
- c) any previous underperformance versus the benchmark must first be recovered before any Performance Fees can be paid.

The Performance Fee is calculated and accrued each business day and is payable half-yearly as at 30 June and 31 December, if applicable.

Performance fee calculation example

The worked example in the following table is shown only for the purpose of illustrating how the performance fee may be calculated for three unrelated days only and assumes there are no applications or redemptions made during each day. The daily performance fee accrual is actually calculated as the day's opening NAV excluding the performance fee accrual plus any applications, minus any redemptions (both assumed to be nil in the following example), multiplied by the Fund's daily out or underperformance of the benchmark, multiplied by 15% (performance fee rate). The day's performance fee accrual is then added to the performance fee accrual balance (carried over from the previous day) to give the total performance fee for the period. The actual performance in the ordinary course of business, the unit price, the benchmark, and the hurdles may all fluctuate during the period.

The below table is not an indication of the expected or future performance of the Fund, and that actual performance may differ materially from that used in the following worked example.

Fee Components	Example Day 1	Example Day 15	Example Day 30
Performance fee rate	15%	15%	15%
Opening NAV excluding performance fee accrual	\$10,000,000	\$15,000,000	\$20,000,000
Fund daily return	0.10%	0.50%	-0.25%
Benchmark daily return	0.05%	-0.25%	0.70%
Daily out/underperformance of benchmark	0.05%	0.75%	-0.95%
Daily performance fee accrual*	\$750	\$16,875	-\$28,500
Performance fee accrual (carried over from previous day)	\$20,000	-\$60,000	\$75,000
Total performance fee accrual	\$20,750	-\$43,125	\$46,500

*If the performance fee accrual was positive on the last day of the performance period, a performance fee would be payable equal to the performance fee accrual (including the net effect of GST and RITC).

Performance fees vary from year to year according to the Fund's actual performance and can be zero in any financial year. Past performance is not a reliable indicator of future performance. The performance fee payable (if any) will depend on the performance of the Fund and previous performance fees and may not be a reliable indicator of future performance fees of the Fund.

Units withdrawn during a calculation period

The proceeds received by investors for units withdrawn during a calculation period will be net of any payable performance fees accrued.

Where the accrued performance fee is negative and units are withdrawn, the accrued performance fee will be proportionately adjusted.

Management costs

The management costs, in relation to the Fund, are generally the administration and investment fees and costs (excluding transaction costs) of the Fund.

These costs include:

- Responsible Entity fees;
- administration costs;
- safekeeping fees;
- audit costs; and
- legal costs.

The Investment Manager pays management costs out of the fees it receives. Therefore, for this Fund, the management fee and performance fee (if any) will typically reflect the total management costs.

Extraordinary expenses

In general, the management fees, and when accrued, performance fees, are all that will be charged. However, under certain circumstances, 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 an investors' meeting;
- termination of the Fund;
- amending the Fund constitution;
- defending or bringing of litigation proceedings; and
- replacement of the Responsible Entity.

Buy/sell spread

The buy/sell spread is an additional cost but, as it is included in the unit price, 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. The buy/sell spread is determined by the Responsible Entity to take into account the costs incurred when buying and selling the underlying securities in the Fund such as brokerage and stamp duty (if applicable). As at the date of this PDS, the estimated buy/sell spread added on buying or deducted on selling is +0.30% / -0.30% of the unit price. The following example is based on an application or redemption of \$50,000 in or from the Fund with a unit price of \$1.

	Buy/Sell spread	Cost
Application	0.30%	\$150
Redemption	0.30%	\$150

From time to time, we may vary the buy/sell spread. Any revised spread will be applied uniformly to transacting investors while that spread applies.

However, in circumstances where the Responsible Entity determines that unit holders of the Fund are not being treated equitably (for example, withdrawals in stressed and dislocated markets), the buy/sell spread may be higher than our estimate.

Additional transactional and operational costs

Additional transactional and operational costs associated with dealing with the Fund's assets may be recovered from the Fund. Transactional and operational costs, other than any buy/sell spread, may include brokerage, investment settlement fees, clearing costs and applicable stamp duty when underlying assets are bought or sold.

The total transactional and operational costs incurred by the Fund for the year ended 30 June 2017 were calculated to be \$55.66 based on a \$50,000 holding (approximately 0.11% of total average net assets). The total transactional and operational costs, net of buy/sell spread recovery, were calculated to be \$0 based on \$50,000 holding (0.00% of total average net assets).

Adviser commissions

We do not pay commissions to financial advisers.

Differential fee arrangements

The management costs of the Fund may be negotiated with persons who qualify as wholesale clients within the meaning of the Corporations Act, such as sophisticated or professional investors. In negotiating such fees, we will take into consideration our obligations under the Corporations Act. Such arrangements will be by individual negotiation and will be disclosed separately to relevant clients. Please contact us on 1300 497 374 for further details.

Indirect investors (additional master trust or wrap account fees)

For investors accessing the Fund through a master trust or wrap account, additional fees and costs may apply. These fees and costs are stated in the offer document provided by your master trust or wrap account operator.

Incidental fees and costs

Standard government fees, duties and bank charges may also apply to your investments and withdrawals, including dishonour fees and conversion costs.

The constitution and fee changes

Under the Fund constitution, we are entitled to certain fees which we do not currently charge, and some fees currently charged are less than the maximum amounts allowed under the Fund constitution (and may be different to fees charged on any other classes of units of the Fund).

We have the right to increase the fees or to charge fees not currently levied up to the maximum limits set out in the constitution without your consent. If we choose to exercise this right, we will provide you with 30 days prior written notice.

For more information on fees and costs

If you would like to better understand how our fee structure may impact your investment in the Fund, we recommend that you speak to your financial adviser or visit the ASIC website at www.moneysmart.gov.au where a fee calculator is available to help you compare the fees of different managed investment products.

9. Taxation

WARNING: Investing in a registered managed investment scheme may have tax consequences. You are strongly advised to seek professional tax advice.

The taxation implications of investing in the Fund can be complex and depend on a number of factors, including whether you are a resident or non-resident of Australia for taxation purposes and whether you hold the units on capital account or revenue account.

The following tax comments have been prepared on the assumption that:

- the investor holds the units on capital account as a long-term investment;
- the Fund qualifies as an attribution managed investment trust ('AMIT') within the meaning of section 995-1 of the Income Tax Assessment Act 1997 and the Responsible Entity of the Fund elects to apply the AMIT regime to the Fund; and
- the Fund has made an irrevocable capital election¹ to apply the Capital Gains Tax ('CGT') provisions pursuant to section 275-115 of the Income Tax Assessment Act 1997.

9.1 Income of the Fund

The Fund has been established as an Australian resident unit trust. The Fund is required to determine its tax or income components (e.g. assessable income, exempt income, non-assessable non-exempt income, tax offsets and credits of different characters) for the financial income year. The investor will be provided with a statement for tax purposes after 30 June each year to assist the investor in determining their tax position. This tax statement will advise the investor of the share of the tax or income components of the Fund (if any) to include in the investor's tax return. Generally, no Australian income tax will be payable by the Responsible Entity of the Fund where investors are attributed with all tax or income components of the Fund each year.

In the case where the Fund makes a loss for tax purposes, the Fund cannot distribute the loss to investors. However, subject to the Fund meeting certain conditions, the Fund may be able to take into account the losses in subsequent years.

The Fund's investments and activities are likely to give rise to income, dividends, capital gains and losses.

9.2 Taxation of Australian resident investors

Investors are generally subject to tax on their share of the tax or income components of the Fund each year. Investors are treated as having derived their share of the tax or income components of the Fund directly on a flow through basis.

The way in which investors are taxed will depend on the character of the income they receive (for example, franked dividends to which franking credits may attach, capital gains, foreign income to which foreign income tax offsets may attach, or interest income).

We will provide you with an annual taxation statement after 30 June each year. The annual taxation statement will outline your share of the tax or income components of the Funds to which

you are entitled to in that financial year, including any foreign income tax offsets and franking credit entitlements.

To the extent that an investor's share of the net income of the Fund is attributable to a capital gain made by the Fund, the investor will include the capital gain in their assessable income. Certain investors may be entitled to apply the relevant Capital Gains Tax ('CGT') discount to work out the net capital gain to include in their assessable income. In normal circumstances, you should expect the Fund to derive income and/or capital gains each year.

If the Responsible Entity discovers understatements or overstatements of taxable income and tax offsets in prior years, the Responsible Entity has the ability under the AMIT regime to deal with these understatements and overstatements in the financial year in which they are discovered. That is, the distribution statements in the discovery year may be adjusted to take into account these understatements or overstatements from a prior financial year, rather than re-issuing amended distribution statements for the prior financial year to which the understatements or overstatements relate to.

The amount of the tax or income components of the Fund which the investor is required to include in their assessable income may be different to the cash distributions received by an investor in respect of their units. This is because the distributions received on the units is determined by reference to the returns received in respect of the Fund, whereas the tax or income components of the Fund is determined by reference to the overall tax position of that Fund.

An investor may be required to make, in certain circumstances, both upward and downward adjustments to the cost or cost base of their unit holdings. This occurs where during a financial year there is a difference between:

- a) the total of the amounts (money or property) that an investor is entitled to from the Fund and the tax offsets that are allocated to an investor during the year; and
- b) the tax or income components included in that investor's assessable income or non-assessable non-exempt income.

If the amount in (a) exceeds the amount in (b), the cost or cost base of the investor's units in the Fund should be reduced by the excess amount. This results in either an increased capital gain, or a reduced capital loss, upon the subsequent disposal of the investor's units in the Fund. Should the cost base be reduced to below zero, the amount in excess of the cost base should be a capital gain that is to be included in the investor's taxable income.

Conversely, where the amount in (a) falls short of the amounts in (b) during a financial year, the cost or cost base of the investor's units in the Fund should be increased by the shortfall amount.

9.3 Withdrawals from the Fund and disposal of units

Withdrawal or disposal of a unit in the Fund is the disposal or cancellation of a CGT asset by an investor and a CGT event for tax purposes. To the extent that the proceeds exceed the cost base on the unit, you will make a capital gain. However, if the proceeds are less than your reduced cost base, you will make a capital loss. Generally, a capital loss can only be used to offset against capital gains derived in the current or a future tax year.

An individual, trust or complying superannuation entity or a life insurance company that holds their Units as a complying superannuation/FHSA asset may be able to claim the benefit of the CGT discount if they have held the units for over 12 months. A corporate investor cannot claim the benefit of the CGT discount. Gains and losses realised by an investor who holds their units on revenue account will be taxable as ordinary income or an allowable deduction and, as the case may be, will not qualify for the CGT discount.

9.4 Non-resident individual unit holders

The above taxation summary is only for investors who are residents of Australia for tax purposes. The tax treatment of non-resident investors in the Fund depends on the investor's particular circumstances and the provisions of the relevant Double Tax Agreement between Australia and the country of residence. It is important that non-resident investors seek independent professional taxation advice before investing in the Fund.

The Fund may be required to withhold tax on part or all of the distributions made to non-resident investors.

9.5 Goods and Services Tax ('GST')

Unless otherwise stated, the fees quoted in this PDS are inclusive of the net effect of GST and RITC.

9.6 Tax File Numbers and Australian Business Numbers

You are not required to quote your Tax File Number ('TFN') or, if you have one, an Australian Business Number ('ABN')¹ or claim an exemption from providing a TFN.

However, if a TFN or ABN is not provided, or an exemption is not claimed, we are required by law to withhold tax from distributions at the top marginal tax rate plus the Medicare Levy. If you are making this investment on behalf of a business or enterprise you carry on, you may quote your ABN instead of a TFN.

9.7 Tax reforms

The expected tax implications of investing in the Fund may change as a result of changes in the taxation laws and interpretation of them by the Courts and/or the Australian Tax Office.

It is recommended that investors obtain independent taxation advice that takes into account your specific circumstances regarding investing in the Fund and the potential application of any changes in the tax law.

¹ Under AML/CTF law, disclosure of an ABN is required for those individual investors who are a sole trader.

9.8 Foreign Account Tax Compliance Act ('FATCA') and OECD Common Reporting Standard ('CRS')

Tax evasion is a global problem and international cooperation and sharing of high quality, predictable information between revenue authorities will help them ensure compliance with local tax laws. FATCA was enacted by the United States (U.S.) Congress to improve compliance with U.S. tax laws by imposing due diligence and reporting obligations on foreign financial institutions, notably the obligation to report U.S. citizen or U.S. tax-resident account holders to the U.S. Internal Revenue Service ('IRS').

Similar to FATCA, the CRS for the automatic exchange of information, is a single global standard for the collection and reporting to tax authorities of information by financial institutions on non-Australian residents.

Accordingly, we may request certain information about yourself (for individual investors) or your controlling persons (where you are an entity) in order for the Fund to comply with its FATCA or CRS obligations. In the event that the Fund suffers any amount of withholding tax (including FATCA withholding tax) and/or penalties, neither the Fund nor the Responsible Entity acting on behalf of the Fund, will be required to compensate you for any such tax, except in exceptional circumstances.

10. Investing in the Fund

10.1 Applications

Initial investments

You can make an investment in the Fund with a minimum initial investment in the amount of \$20,000 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.

To apply for units in the Fund directly, please read this PDS then complete the Application Form.

Direct applications received, verified and accepted by the Fund Administrator 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.

You can also invest using the managed funds settlement service operated by the ASX ('mFund').

Additional investments

You are able to increase your investment 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.

Investing directly

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.

Unless you are investing via mFund, for an application to be valid, it must be completed correctly and comply with the designated minimum investment amounts referred to in the PDS and be appropriately signed by the applicant(s). The Responsible Entity may however, at its discretion, accept amounts less than minimum initial investment amounts.

Direct applications received and accepted by the Fund Administrator prior to 3:00 pm (Sydney time) on a business day will be processed using the unit price for that day. Applications received and accepted by the Fund Administrator after 3:00 pm (Sydney time) or on a non-business day will generally be processed using the unit price determined for the following business day.

Additional information about investing

Applications received, verified and accepted by RBC 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.

For an application to be valid, it must be correctly completed, and it must comply with the designated minimum investment amounts and be appropriately signed by the applicant(s). However, the Responsible Entity may, at its discretion, accept amounts less than the minimum initial investment amounts.

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 the Anti-money Laundering and Counter-terrorism Financing Act 2006 (Cth) and associated rules and regulations ('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. 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.

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.

Investors and prospective investors may also 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.

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. If you exercise your cooling-off rights, we will return your money to you and no fees will apply. However, the amount you receive will reflect any movement (either up or down) in the unit price of the Fund which means that there may be tax implications for you. The 14-day cooling-off period commences on the earlier of the end of the fifth business day after we issue the units to you or from the date you receive confirmation of your transaction.

A cooling-off period does not apply to the operator of an IDPS or trustee of a master trust, or other wholesale clients (as defined under the Corporations Act), or where units have been issued as a result of an additional investment, switch or income distribution reinvestment plan.

Incomplete applications

Application monies 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.

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's constitution;
- b) acknowledges having read and understood the PDS;
- 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:
 - i. require the investor to provide any additional documentation or other information and perform any acts to enable compliance with the AML/CTF Law, FATCA, CRS or any other law;
 - ii. 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 the AML/CTF Law or any other law; and
 - iii. 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 actual or suspected contraventions of the AML/CTF Law or any other law; and
 - iv. acknowledges that the Responsible Entity is required to collect the investor's personal information under the Corporations Act and the AML/CTF Law and agrees that information provided may be used as detailed in the PDS and the Responsible Entity's Privacy Policy, which can be obtained by contacting invest@pinnacleinvestment.com or calling 1300 010 311.

10.2 Withdrawals

Making a withdrawal

You can decrease your investment in the Fund by withdrawing units at any time. 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.

As part of the withdrawal proceeds, you will receive their share of any net income of the Fund corresponding to the units for the period of time during which your units were on issue in the relevant distribution period. These proceeds are included in the unit price and treated as capital. You will also receive your share of the capital value of the Fund corresponding to the units on withdrawal.

Direct withdrawal requests can be made daily, and must be received by the Fund Administrator, RBC Investor Services Trust, prior to 3:00pm (Sydney time) on a business day. Withdrawal requests received after that time, or on a non-business day, will be treated as being received on the next business day.

There is a minimum withdrawal amount of \$5,000 or less at the discretion of the Responsible Entity. In addition, if your withdrawal request would result in your investment balance being less than \$5,000 we may treat your withdrawal 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. If you are investing via mFund, you can withdraw units in the Fund in a similar way to selling listed shares.

Unless you are investing via mFund, you can withdraw some or all of your investments at any time by written request, signed by the appropriate signatories.

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 \$5,000, 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.

Illiquid investments

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.

10.3 Investment switching

You may switch from the 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 another 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.

10.4 Indirect investors

Investors and prospective investors may access the Fund indirectly. We authorise the use of the PDS as disclosure to persons who wish to access the Fund indirectly through an Investor Directed Portfolio Service ('IDPS'), IDPS-like scheme or a nominee or custody service (collectively referred to as master trusts or wrap accounts). An IDPS is an investment and reporting service offered by an operator. People who invest through an IDPS, master trust or wrap account are Indirect Investors.

Investors do not themselves become investors in the Fund. It is generally the operator of the IDPS, or their custodian or nominee, that invests for them and so has the rights of an investor. They exercise their rights in accordance with their arrangements with the investor.

Indirect Investors complete the application form of the IDPS and receive reports from their operator, not the Responsible Entity. When investing through an IDPS, master trust or wrap account, Indirect Investors should complete the documents required by the operator of these services and not the Fund's Application Form. Enquiries should be directed to the IDPS operator.

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.

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.

10.5 mFund investors

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 NAV 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 unitholding will be CHESS sponsored by your broker and identified through your individual Holder Identification Number (HIN). mFund investors may experience different costs as your broker may charge you a fee to help you acquire or redeem units via mFund.

See www.mfund.com.au for additional information.

10.6 Complaints

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

Complaints Resolution Officer

Pinnacle Fund Services Limited

PO Box R1313

Royal Exchange NSW 1225

Email: complaints@pinnacleinvestment.com

Phone: 1300 010 311

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 you are a retail client and your issue has not been satisfactorily resolved within 45 days, you may be entitled to refer your complaint to the Financial Ombudsman Service Limited. 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.

The contact details for the Financial Ombudsman Service are:

Financial Ombudsman Service Limited

GPO Box 3,

Melbourne VIC 3001

Email: info@fos.org.au

Phone: 1800 367 287

Website: www.fos.org.au

The Financial Ombudsman Service Limited is an independent body whose decisions are binding on the RE. The dispute resolution process described in this PDS is only available in Australia.

11. Privacy

11.1 Personal information

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

- a) they are required to provide the Responsible Entity with certain personal information to facilitate their application; and
- b) the Responsible Entity may be required to disclose their information to:
 - i. third parties carrying out functions on behalf of the Responsible Entity on a confidential basis;
 - ii. third parties if that disclosure is required by or to the extent permitted by law;
 - iii. an investor's adviser;
 - iv. related entities to the Responsible Entity, whether in Australia or any overseas jurisdiction; and
 - v. government or regulatory bodies (such as the Australian Taxation Office) when required by law.

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. You can unsubscribe from marketing communications from us at any time by contacting us.

If you choose not to disclose requested personal information, we may not be able to process your application or tell you about other investment opportunities.

11.2 Collecting and using your information

We will only collect personal information that is reasonably necessary for one or more of our functions, or required or authorised by law. Generally, this means 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 AML/CTF Law, FATCA and OECD Common Reporting Standard.

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. email) 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 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 email 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.

Accessing and correcting your details

You can access, correct or update any personal information we hold about you, subject to some exceptions allowed by law, by contacting 1300 010 311. We may charge a reasonable fee for access to your personal information.

11.3 Disclosing your information

We may exchange your personal information with your adviser, authorised representative, Power of Attorney and any other third parties if you request or provide consent to us. In addition, we may exchange personal information about you in the following circumstances:

- you consent to the disclosure;
- such disclosure is to your joint investor (if any);
- such disclosure is to companies that provide services to us, to our related bodies corporate (as defined in the Corporations Act), to the Fund, or on our behalf (and our related bodies corporate may also exchange personal information with these companies) - for example administration, custody, investment management, technology, identity verification, auditing, registry, mailing or printing services. These service providers may be located outside Australia such as Canada, Malaysia, Luxembourg, Hong Kong and the United Kingdom, 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
- such disclosure is to organisations related to us such as Pinnacle Investment Management Limited and its related bodies corporate, whether in Australia or any overseas jurisdiction.

12. Additional Information

12.1 Consents

Hyperion Asset Management Limited has consented to be named in this PDS in the form and context in which it is named and, as at the date of this PDS, have not withdrawn their consent. This is to the inclusion of statements about its investment philosophy in section 5.3 (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 5.4), and information about its investment team in section 5.3. Hyperion 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.

12.2 Continuous disclosure documents

The Responsible Entity will comply with the continuous disclosure requirements for disclosing entities under the Corporations Act 2001. This means that the Fund will be subject to regular reporting and disclosing obligations and 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 via the Hyperion website www.hyperion.com.au/app-products/hyperion-small-growth-companies-fund and the mFund website www.mfund.com.au.

12.5 Electronic PDS

The application form may only be distributed when accompanied by a complete and unaltered copy of the 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 the 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 who is concerned with the validity or integrity of an electronic copy of the PDS should immediately request for a paper copy of the PDS directly from the Responsible Entity.

12.6 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 (Note: redemptions processed 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 the Responsible Entity 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. Termination of an appointment does not prejudice the following statement. By appointing an authorised representative, you agree to release, discharge and indemnify the Responsible Entity from and against any loss, expense, action, claims or other liability which may be suffered by you or brought against the Responsible Entity 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 email/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 the Responsible Entity to show that it 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.

13. Defined terms

Term	Definition
AFSL	means an Australian financial services licence issued by ASIC.
Application Form	means the application form in the Hyperion Equities Funds - Fund Forms document.
ASIC	means Australian Securities & Investment Commission.
Australian Equities	means Australian shares - listed and unlisted.
Business Day	means a day on which banks are open for general banking business in Sydney, New South Wales, Australia but excluding Saturday, Sunday and public holidays.
Buy/Sell Spread	means the difference between the entry and exit price for a Fund, relating to transaction costs. It is a set, average percentage amount paid by Investors when they transact.
Cash and Equivalent	means deposits and securities issued by banks, approved deposit institutions and money market corporations with term to maturity no greater than 60 days.
Corporations Act	means the Corporations Act 2001 and Corporations Regulations 2001.
Financials	includes companies operating in the following industries: banks, diversified financials, insurance and real estate.
Fund	all references to 'Fund' in this document correspond to the Hyperion Equities managed fund in connection with whose PDS you are reading with this document.
Fund Administrator and Custodian	means RBC Investor Services Trust ABN 75 116 809 824, AFSL No. 295018.
Fund Forms	means the Hyperion Equities Funds – Fund Forms document - which incorporates all the necessary forms required for applying to or redeeming from Hyperion Equities Funds. It includes a section on Frequently Asked Questions for your assistance also.
Gross Asset Value (GAV)	means the market value of a Fund's assets determined in accordance with the Constitution and applicable accounting standards.
Hyperion	means Hyperion Asset Management Limited ABN 80 080 135 897, AFSL No. 238380.
Hyperion Equities Funds or Funds	Includes: Hyperion Australian Growth Companies Fund ARSN 089 548 443 Hyperion Global Growth Companies Fund ARSN 611 084 229 Hyperion Small Growth Companies Fund ARSN 089 548 943
Illiquid	means that a Fund has liquid assets that amount to less than 80% of the Fund's assets having regard to Section 601KA of the Corporations Act.
Initial investment	means an Investor's initial investment which requires the opening of a new Fund account.
Investment Manager	means Hyperion Asset Management Limited ABN 80 080 135 897, AFSL No. 238380.
Liquid	means that a Fund has liquid assets that amount to at least 80% of the Fund's assets having regard to Section 601KA of the Corporations Act.

Performance Fee	means an additional fee imposed charged as an additional component of the Management Fee where the Fund's performance exceeds the benchmark stated in the relevant PDS.
PDS	means Product Disclosure Statement for a Fund.
Net Asset Value (NAV)	means the total value of the Fund's underlying investment portfolio, less any fees, charges, expenses and other liabilities accrued by the Fund, but excludes unitholder liabilities.
Personal Information	means information or an opinion (including information or an opinion forming part of a database) whether true or not, and whether recorded in a material form or not, about an individual whose identity is apparent, or can reasonably be ascertained, from the information or opinion, which is collected or held by Hyperion in relation to the PDS.
Pinnacle Fund Services Limited	means Pinnacle Fund Services Limited ABN 29 082 494 362, AFSL No. 238371.
Redemption Request	means the form that must be completed when making a redemption of your investment which is included in the Hyperion Equities Funds - Fund Forms document.
Responsible Entity	means Pinnacle Fund Services Limited ABN 29 082 494 362, AFSL No. 238371.
US Persons	<p>U.S. Person, as defined in Regulation S of the U.S. Securities Act 1933, include:</p> <ul style="list-style-type: none"> • any natural person resident in the United States; • any partnership or corporation organized or incorporated under the laws of the United States; • any estate of which any executor or administrator is a US Person; • any trust of which any trustee is a US Person; • any agency or branch of a foreign entity located in the United States; • any non-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; • any 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 United States; or • any partnership or corporation if organized or incorporated under the laws of any foreign jurisdiction and formed by a US person principally for the purpose of investing in securities not registered under the US Securities Act of 1933, as amended ('the Act'), unless it is organised or incorporated, and owned, by accredited investors (as defined in Rule 501(a) of Regulation D under the Act) who are not natural persons, estates or trusts.



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

Free call 1300 497 374

E-mail investorservices@hyperion.com.au

You may also contact Pinnacle Fund Service Limited as follows:

Phone 1300 010 311

E-mail invest@pinnacleinvestment.com