

Coolabah Floating-Rate High Yield Fund (Managed Fund) Assisted Investor Class



Product Disclosure Statement

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APIR ETL5010AU
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About this PDS

This Product Disclosure Statement ("PDS") has been prepared and issued by Equity Trustees Limited ("Equity Trustees", "we" or "Responsible Entity") and is a summary of the significant information relating to an investment in the Coolabah Floating-Rate High Yield Fund (Managed Fund) the "Fund" - Assisted Investor Class (the "Class"). It contains a number of references to important information (including a glossary of terms), contained in the Fund's Reference Guide ("Reference Guide"), each of which forms part of this PDS. You should carefully read and consider both the information in this PDS, and the information in the Reference Guide, before making a decision about investing in the Fund.

The information provided in this PDS is general information only and does not take account of your personal objectives, financial situation or needs. You should obtain financial and taxation advice tailored to your personal circumstances and consider whether investing in the Fund is appropriate for you in light of those circumstances.

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

This PDS does not constitute a direct or indirect offer of securities in the US or to any US Person as defined in Regulation S under the Securities Act of 1933 as amended ("US Securities Act"). Equity Trustees may vary this position and offers may be accepted on merit at Equity Trustees' discretion. The units in the Fund have not been, and will not be, registered under the US Securities Act unless otherwise approved by Equity Trustees and may not be offered or sold in the US to, or for, the account of any US Person (as defined in the Reference Guide) except in a transaction that is exempt from the registration requirements of the US Securities Act and applicable US state securities laws.

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The Reference Guide

Throughout the PDS, there are references to additional information contained in the Reference Guide. You can obtain a copy of the PDS and the Reference Guide, free of charge, by calling the Investment Manager on 1300 901 711, visiting www.coolabahcapital.com or by visiting Equity Trustees at www.eqt.com.au/insto or by calling the Responsible Entity.

The information contained in the Reference Guide may change between the day you receive this PDS and the day you acquire the product. You must therefore ensure that you have read the Reference Guide current as at the date of your application.

Updated information

Information in this PDS is subject to change. We will notify you of any changes that have a material adverse impact on you or other significant events that affect the information contained in this PDS. Any information that is not materially adverse information is subject to change from time to time and may be obtained by calling the Investment Manager on 1300 901 711, visiting www.coolabahcapital.com or by visiting Equity Trustees at www.eqt.com.au/insto. A paper copy of the updated information will be provided free of charge on request.

Investment Manager

Coolabah Capital Investments (Retail) Pty Limited
ABN 64 153 555 867
Ph: 1300 901 711
Email: info@coolabahcapital.com
Web: www.coolabahcapital.com

Corporate Authorised Representative (CAR)
#000414337 of Coolabah Capital Institutional
Investments Pty Ltd AFSL 482238

Administrator

Apex Fund Services Pty Ltd
ACN 118 902 891
GPO Box 4968
Sydney NSW 2001
Ph: 1300 133 451
Fax: +61 2 9251 3525
Web: www.apexgroup.com

Responsible Entity

Equity Trustees Limited
ABN 46 004 031 298, AFSL 240975
GPO Box 2307
Melbourne VIC 3001
Ph: +613 8623 5000
Web: www.eqt.com.au/insto

1. About Equity Trustees Limited

The Responsible Entity

Equity Trustees Limited

Equity Trustees Limited ABN 46 004 031 298 AFSL 240975, a subsidiary of EQT Holdings Limited ABN 22 607 797 615, which is a public company listed on the Australian Securities Exchange (ASX: EQT), is the Fund's responsible entity and issuer of this PDS. Established as a trustee and executorial service provider by a special Act of the Victorian Parliament in 1888, today Equity Trustees is a dynamic financial services institution which continues to grow the breadth and quality of products and services on offer.

Equity Trustees' responsibilities and obligations as the Fund's responsible entity are governed by the Fund's constitution ("Constitution"), the Corporations Act and general trust law. Equity Trustees has appointed Coolabah Capital Investments (Retail) Pty Limited as the investment manager of the Fund. Equity Trustees has appointed a custodian to hold the assets of the Fund. The custodian has no supervisory role in relation to the operation of the Fund and is not responsible for protecting your interests.

The Investment Manager

Coolabah Capital Investments (Retail) Pty Limited

The investment manager is Coolabah Capital Investments (Retail) Pty Ltd ("CCIR" or "Investment Manager"), which is a corporate authorised representative (#000414337) of Coolabah Capital Institutional Investments Pty Ltd (AFSL 482238).

CCIR has appointed its related entity, Coolabah Capital Institutional Investments Pty Ltd ("CCI" or "Portfolio Manager"), as the portfolio manager to which it sub-delegates all portfolio management responsibilities for the Fund and its other fixed-income products. Both the Investment Manager and Portfolio Manager are wholly owned subsidiaries of Coolabah Capital Investments Pty Ltd ("CCI"). CCI is 65% owned by its management team, and 35% owned by Pinnacle Investment Management Group Limited, a leading Australian-based multi-affiliate investment firm.

Established in 2011, CCI's goals are to deliver low duration investment solutions that outperform traditional fixed-income products on a risk adjusted basis. CCI aims to achieve this through generating "alpha" or capital gains in liquid, high-grade credit, which is in contrast to traditional fixed-income strategies that drive returns through adding more interest rate duration risk, credit default risk or illiquidity risk (or "beta"). As at 30 November 2022, it manages approximately \$6.2 billion in assets.

2. How the Coolabah Floating-Rate High Yield Fund (Managed Fund) - Assisted Investor Class works

The Fund is a registered managed investment scheme governed by the Constitution. The Fund comprises assets which are acquired in accordance with the Fund's investment strategy. Direct investors receive units in the Class when they invest. In general, each unit represents an equal interest in the assets of the Class subject to liabilities; however, it does not give investors an interest in any particular asset of the Fund or Class.

If you invest in the Fund through an IDPS (as defined in the Reference Guide) you will not become an investor in the Fund. The operator or custodian of the IDPS will be the investor entered in the Fund's register and will be the only person who is able to exercise the rights and receive the benefits of a direct investor. Your investment in the Fund through the IDPS will be governed by the terms of your IDPS. Please direct any queries and requests relating to your investment to your IDPS Operator. Unless otherwise stated, the information in the PDS applies to direct investors.

Applying for units

You can acquire units by completing the Application Form that accompanies this PDS, using the online application at www.coolabahcapital.com. The minimum initial investment amount for the Class is \$1,000.

Completed Application Forms should be sent along with your identification documents (if applicable) to:

Apex Fund Services Pty Ltd
GPO Box 4968
Sydney NSW 2001

Please note that cash cannot be accepted.

By completing the online application at www.coolabahcapital.com, you can identify yourself and transfer funds with BPAY or electronic funds transfer (EFT) (a reference number will be sent to you).

We reserve the right to accept or reject applications in whole or in part at our discretion. We have the discretion to delay processing applications where we believe this to be in the best interest of the Fund's investors.

The price at which units are acquired is determined in accordance with the Constitution ("Application Price"). The Application Price on a Business Day is, in general terms, equal to the Net Asset Value ("NAV") of the Class, divided by the number of units on issue and adjusted for transaction costs ("Buy Spread"). At the date of this PDS, the Buy Spread is 0.00.

The Buy Sell Spread may change depending on the liquidity of the assets within the Fund's portfolio at that time. Any changes to the spreads after the date of this PDS will be published on the Funds website at www.coolabahcapital.com

The Application Price will vary as the market value of assets in the Class rises or falls.

Making additional investments

You can make additional investments into the Class at any time by sending us your additional investment amount together with a completed Application Form. Alternatively complete the online application. You can transfer funds with BPAY or electronic funds transfer (EFT). The minimum additional investment into the Fund is \$1,000 or \$100 per month through a savings plan. For more information on savings plans, BPAY and EFT see the Reference Guide.

Distributions

An investor's share of any distributable income is calculated in accordance with the Constitution and is generally based on the number of units held by the investor at the end of the distribution period.

The Fund usually distributes income quarterly at the end of June, September, December and March. Distributions are calculated effective the last day of each distribution period and are normally paid to investors as soon as practicable after the distribution calculation date.

Investors in the Fund can indicate a preference to have their distribution:

- reinvested back into the Fund; or
- directly credited to their Australian domiciled bank account.

Investors who do not indicate a preference will have their distributions automatically reinvested. Applications for reinvestment will be taken to be received immediately prior to the next Business Day after the relevant distribution period. There is no Buy Spread on distributions that are reinvested.

In some circumstances, the Constitution may allow for an investor's withdrawal proceeds to be taken to include a component of distributable income.

Indirect Investors should review their IDPS Guide for information on how and when they receive any income distribution.

Access to your money

Investors in the Fund can generally withdraw their investment by completing a written request to withdraw from the Fund and mailing it to:

Apex Fund Services Pty Ltd
GPO Box 4968
Sydney NSW 2001

Or sending it by fax to +61 2 9251 3525

Or sending it by email to registry@apexgroup.com

The minimum withdrawal amount is nil. Once we receive and accept your withdrawal request, we may act on your instruction without further enquiry if the instruction bears your account number or investor details and your (apparent) signature(s), or your authorised signatory's (apparent) signature(s).

Equity Trustees will generally allow an investor to access their investment within 3 Business Days of acceptance of a withdrawal request by transferring the withdrawal proceeds to such investor's nominated bank account. Access to your investment at the end of a distribution period will take longer as the Fund's unit price is placed on a temporary hold whilst the distribution is calculated. However, Equity Trustees is allowed to reject withdrawal requests, and also to make payment up to 21 days after acceptance of a request (which may be extended in certain circumstances) as outlined in the Constitution and Reference Guide.

We reserve the right to accept or reject withdrawal requests in whole or in part at our discretion.

The price at which units are withdrawn is determined in accordance with the Constitution ("Withdrawal Price"). The Withdrawal Price on a Business Day is, in general terms, equal to the NAV of the Class, divided by the number of units on issue and adjusted for transaction costs ("Sell Spread"). At the date of this PDS, the Sell Spread is 0.05%.

The Buy Sell Spread may change depending on the liquidity of the assets within the Fund's portfolio at that time. Any changes to the spreads after the date of this PDS will be published on the Funds website at www.coolabahcapital.com.

The Withdrawal Price will vary as the market value of assets in the Class rises or falls.

Equity Trustees reserves the right to fully redeem your investment if your investment balance in the Class falls below \$1,000 as a result of processing your withdrawal request. In certain circumstances, for example, when there is a freeze on withdrawals, where accepting a withdrawal is not in the best interests of investors in the Fund including due to one or more circumstances outside its control or where the Fund is not liquid (as defined in the Corporations Act), Equity Trustees can deny or suspend a withdrawal request and you may not be able to withdraw your funds in the usual processing times or at all. When the Fund is not liquid, an investor can only withdraw when Equity Trustees makes a withdrawal offer to investors in accordance with the Corporations Act. Equity Trustees is not obliged to make such offers.

If you are an Indirect Investor, you need to provide your withdrawal request directly to your IDPS Operator. The time to process a withdrawal request will depend on the particular IDPS Operator and the terms of the IDPS.

Unit pricing discretions policy

Equity Trustees has developed a formal written policy in relation to the guidelines and relevant factors taken into account when exercising any discretion in calculating unit prices (including determining the value of the assets and liabilities). A copy of the policy and, where applicable and to the extent required, any other relevant documents in relation to the policy will be made available free of charge on request.

Additional information

If and when the Fund has 100 or more direct investors, it will be classified by the Corporations Act as a 'disclosing entity'. As a disclosing entity, the Fund will be subject to regular reporting and disclosure obligations. Investors would then have a right to obtain a copy, free of charge, of any of the following documents:

- the most recent annual financial report lodged with ASIC ("Annual Report");
- any subsequent half yearly financial report lodged with ASIC after the lodgement of the Annual Report; and
- any continuous disclosure notices lodged with ASIC after the Annual Report but before the date of this PDS.

Equity Trustees will comply with any continuous disclosure obligation by lodging documents with ASIC as and when required.

Copies of these documents lodged with ASIC in relation to the Fund may be obtained from ASIC through ASIC's website.

Further reading

You should read the important information in the Reference Guide about:

- Application cut-off times;
- Application terms;
- Direct Debit & savings plan;
- Authorised signatories;
- Reports;
- Withdrawal cut-off times;
- Withdrawal terms;
- Withdrawal restrictions; and
- Compulsory redemptions,

under the "Investing in the Coolabah Funds", "Managing your investment" and "Withdrawing your investment" sections before making a decision. Go to the Reference Guide which is available at www.eqt.com.au/insto. The material relating to these matters may change between the time when you read this PDS and the day when you acquire the product.

3. Benefits of investing in the Coolabah Floating-Rate High Yield Fund (Managed Fund) - Assisted Investor Class

Significant benefits

Potential for higher income	The Fund aims to generate higher income than other traditional fixed income investments.
Floating returns	The Fund invests in floating-rate notes that have a yield that generally moves up and down with the RBA cash rate.
Exposure to the wholesale bond market	The Fund invests in wholesale bonds issued by governments, banks and companies that are not always easy for individual investors to access.

4. Risks of managed investment schemes

All investments carry risks. Different investment strategies may carry different levels of risk, depending on the assets acquired under the strategy. Assets with the highest long-term returns may also carry the highest level of short-term risk. The significant risks below should be considered in light of your risk profile when deciding whether to invest in the Fund. Your risk profile will vary depending on a range of factors, including your age, the investment time frame (how long you wish to invest for), your other investments or assets and your risk tolerance.

The Responsible Entity, the Investment Manager and the Portfolio Manager do not guarantee the liquidity of the Fund's investments, repayment of capital or any rate of return or the Fund's investment performance. The value of the Fund's investments will vary. Returns are not guaranteed, and you may lose money by investing in the Fund. The level of returns will vary and future returns may differ from past returns. Laws affecting managed investment schemes may change in the future. The structure and administration of the Fund is also subject to change.

In addition, we do not offer advice that takes into account your personal financial situation, including advice about whether the Fund is suitable for your circumstances. If you require personal financial or taxation advice, you should contact a licensed financial adviser and/or taxation adviser.

Market risk

This is the risk that an entire market, country or economy (such as Australia) changes in value or becomes more volatile, including the risk that the purchasing power of the currency changes (either through inflation or deflation), potentially causing a reduction in the value of the Fund and increasing its volatility. This may be because, amongst many other things, there are changes in economic, financial, technological, political or legal conditions, natural and manmade disasters, conflicts and changes in market sentiment.

Investment and credit risk

This is the risk that the value of an individual investment in the Fund may change in value or become more volatile, potentially causing a reduction in the value of the Fund and increasing its volatility. This may be because, amongst many other things, there are changes in government or bank policies, the Investment Manager's or the Portfolio Manager's operations or management, or business environment, or a change in perceptions of the risk of any investment. Various risks may lead to the issuer of the investment defaulting on its obligations and reducing the value of the investment to which the Fund has an exposure.

Interest rate risk

This is the risk that changes in interest rates can have a negative impact on certain investment values or returns. Reasons for interest rates changes are many and include variations in inflation, economic activity and Reserve Bank of Australia (RBA) policies.

However, interest rate risk with this Fund is reduced because the Fund predominantly invests in cash and floating-rate debt securities and is prohibited from investing in fixed-rate (ie, not floating-rate) debt securities.

Leverage risk

Leverage is a key component of the Fund's investment strategy. The exposure of a leveraged portfolio to movements in the instruments and markets in which it invests can be greater than the value of the assets within the portfolio. Therefore, if a leveraged portfolio generates a positive return, the returns will be greater than the returns generated by an equivalent unleveraged portfolio. Similarly, if the investments generate a negative return, the losses will be greater than the losses generated by an equivalent unleveraged portfolio.

At its core the use of leverage is applied against tradeable, investment-grade debt securities, which rank ahead of equities and hybrids in the corporate capital structure. The Portfolio Manager has set leverage limits and other exposure limits to assist with risk management, which is overseen by the Portfolio Manager's independent compliance committee. The Portfolio Manager will monitor the leverage ratio and exposure to OTC Derivative counterparties on a daily basis and make adjustments to ensure maximum leverage is not exceeded. For further information on the Fund's use of leverage, including exposure limits, see "Leverage" under Section 5.

Ratings risk

The assets in which the Fund invests may or may not have been assigned credit ratings by independent ratings agencies. A ratings downgrade could significantly reduce the value of an investment and impact the value of the units of the Fund. Credit ratings do not guarantee the credit quality of a security, its underlying assets, or its repayment, and may be re-assessed by ratings agencies in a range of circumstances. Ratings agencies can make mistakes. The Portfolio Manager seeks to minimise this risk by assessing the credit risks inherent in any investments it makes.

Risk measure

The Investment Manager considers that the "standard risk measure" for this Fund is a medium risk rating, which means that the estimated number of negative annual returns over any 20 year period is 2 to less than 3. On a scale of 1 to 7 where 7 is riskiest in this respect, the Fund is in category 4.

The standard risk measure is based on industry guidance to allow investors to compare investment options that are expected to deliver a similar number of negative annual returns over any 20 year period. It is not a complete assessment of all forms of investment risk. For instance, it does not detail what the size of a negative return could be or the potential for a positive return to be less than an investor may require to meet their objectives. Further, it does not take into account the impact of fees and tax on the likelihood of a negative return.

Investors should still ensure they are comfortable with the risks and potential losses associated with the Fund.

Further reading...

You should read the important information in the Reference Guide under "Additional information on risks" about the risks associated with investing in the Fund before making an investment decision. Go to the Reference Guide which is available at www.eqt.com.au/insto. The material relating to these matters may change between the time when you read this PDS and the day when you acquire the product.

5. How we invest your money

Warning: When choosing to invest in the Fund or an option of the Fund, you should consider the likely investment returns, the risks of investing and your investment time frame.

Investment objective

The investment objective of the Fund is to provide investors with exposure to a portfolio of investment-grade Australian floating-rate notes with enhanced yields.

Benchmark

Bloomberg AusBond Credit FRN 0+ Yr Index (BAFRN0)

This Benchmark is not a return objective and is used for performance reporting only.

Minimum suggested time frame

3 years or more.

Risk level

Medium risk rating.

Investor suitability

Those seeking higher income than other traditional fixed income investments through liquid investment grade floating-rate credit.

Investment style and approach

The Portfolio Manager is an active manager. This entails applying bottom-up fundamental analysis of both issuers of the securities and the credit quality and structural features of the securities themselves to build a portfolio of Australian cash and debt investments, that are assessed to offer attractive total returns whilst minimising the risk of capital loss.

The Fund focusses more on generating higher income than other traditional fixed income investments by investing in a portfolio of investment-grade Australian floating-rate notes and enhancing the yields (or interest-rate) through the use of gearing (or leverage).

Floating Rate Notes ("FRNs"), also known as 'Floating Rate Bonds', are a type of bond that pay an interest (or coupon) rate which moves up and down with changes in a recognised reference interest rate. The interest (or coupon) rate is the sum of the reference rate and a spread or margin. In Australia, they generally track the returns of the RBA's cash rate plus a spread or margin and have a low or near-zero interest rate risk.

While the Portfolio Manager intends to hold the bonds to maturity, the Fund retains the ability to switch between cash and debt securities based on the Portfolio Manager's valuation views of each sector. The ability to invest 100% in cash is a defensive attribute of the Fund.

The Fund's investment guidelines and restrictions include:

- the Fund is permitted to invest in floating-rate notes (including asset-backed securities) issued by governments and government-related entities, banks and corporates;
- the Fund is also permitted to invest in cash and cash-equivalent securities, repurchase agreements, and both exchange traded Derivatives and over-the-counter Derivatives for hedging purposes;
- the Fund may also invest in units in an exchange traded fund ("ETFs") or trust that solely invests in Australian dollar denominated deposits, issued by Authorised Deposit-taking Institutions ("ADIs") that are regulated by the Australian Prudential Regulation Authority ("APRA");
- all the Fund's investments are Australian dollar -denominated;
- the Fund does not invest in equities, hybrid securities or unrated unlisted debt securities or property;
- the Fund's use of repurchase agreements and Derivatives may result in the Fund being geared, and
- the Fund has a medium risk rating under the "standard risk measure" (see Section 4 of this PDS for details).

Due to movements in the market or similar events, the guidelines set out above may not be adhered to from time to time. In these circumstances, the Investment Manager will seek to bring the Fund's investments within the guidelines within a reasonable period of time.

Asset allocation

The Fund is actively managed by the Portfolio Manager and aims to take advantage of assets it considers are offering an attractive interest rate or yield to maturity within the Australian cash and fixed-income markets. The fund targets holding 10 to 20 bonds, and cash investments as appropriate, although the actual number of assets may vary from this target.

Investing in the Fund is not the same as putting your money into a bank account. The Fund invests in a range of Australian deposits, money market securities, rated floating rate notes, and asset-backed bonds. The Fund may also invest in units in an ETF or trust that solely invests in Australian-dollar denominated deposits, issued by ADIs which are regulated by APRA. It is also possible that from time-to-time Derivatives may be used to manage the Fund's risks when considered appropriate.

Leverage

The Fund can borrow, use repurchase agreements, and use Derivatives and this can mean the Fund is geared (or leveraged). Leverage can amplify gains and also amplify losses. At the core of the Portfolio Manager's use of leverage is that it is applied against liquid, investment-grade debt securities, which rank ahead of equities and hybrids in the corporate capital structure. The Portfolio Manager has set leverage limits and other exposure limits to assist with risk management, which is overseen by the Portfolio Manager's independent compliance committee.

Leverage may be used to obtain additional exposure to assets to increase the Fund's yield. The Fund will typically have gearing of 66.66% to a maximum of 75%. The Fund may enter into repurchase agreements with large bank counterparties that have credit ratings of at least A-. The Fund may also enter into other secured borrowing arrangements with various prime brokerage providers.

The following example illustrates the way in which gearing can effect investment gains and losses in comparison to a fund that is not geared.

	Gear	Ungear
Initial investment	\$4,000	\$4,000
Fund gearing level	75.00%	0.00%
Amount borrowed by Fund	\$12,000	\$0
Amount invested in market	\$16,000	\$4,000
If the value of the Fund's assets rises by:	2.0%	2.0%
Rise in value of Fund's assets	\$200	\$80
Value of Fund assets	\$16,320	\$4,080
Outstanding loan	\$12,000	\$0
Value of investment	\$4,320	\$4,080
Gain on investment	\$320	\$80
Return %	8.0%	2.0%
If the value of the Fund's assets falls by:	-2.0%	-2.0%
Fall in value of Fund's assets	-\$320	-\$80
Value of Fund assets	\$15,680	\$3,920
Outstanding loan	\$12,000	\$0
Value of investment	\$3,680	\$3,920
Gain on investment	-\$320	-\$80
Return %	-8.0%	-2.0%

The leverage rules are asset-class specific, with riskier exposures subject to tighter controls. They are designed to reduce the risk of loss and to manage portfolio volatility within the target range.

Please refer to Section 4 'Additional information on risks' in the Coolabah Funds Reference Guide for more details on this subject.

Changing the investment strategy

The investment strategy and asset allocation parameters may be changed. If a change is to be made, investors in the Fund will be notified in accordance with the Corporations Act.

Labour, environmental, social and ethical considerations

The Portfolio Manager considers that environment, social and governance (ESG) factors are crucial inputs into its investment process and have potentially profound consequences for the performance of our investments, including, most notably, downside risks but also upside mispricing potential in terms of the value of those assets. Nuanced ESG factors are often overlooked by the market and credit rating agencies when assessing the creditworthiness and valuations of fixed-income securities. Given its activist investment style, the Portfolio Manager is deeply engaged with its target companies and relevant regulators and government stakeholders, dynamically evaluating the status of different ESG factors and seeking to understand their future path. ESG is therefore a core part of the Portfolio Manager's quantitative and qualitative due diligence and wider investment process.

The types of ESG factors that the Portfolio Manager takes into account as part of its quantitative and qualitative investment process include, but are not limited to:

- Environmental: weather related risks, dependency on prices of assets that may be impacted by environmental considerations, pollution and environmental disruption, environment sustainability, and associated reputational and brand risks;
- Social: political stability in countries of operation, human rights record of company and countries of operation, diversity,

commitment to maintaining internal and customer privacy, including cyber-security, impact on local communities, health and safety, and associated reputational and brand risks; and

- Governance: board composition, risk management track-record, legal and compliance track-record, history of prosecutions, management remuneration, distribution of equity, and associated reputational and brand risks.

The Portfolio Manager's ESG Policy (available here: www.coolabahcapital.com/esg-policy) details the relevance of ESG considerations to its investment process and describes how active analysis of ESG factors is integrated into decision-making. The Portfolio Manager's ESG Policy is reviewed at least once a year by the Portfolio Manager's Board, Risk & Compliance Committee.

Fund performance

Up to date information on the performance of the Fund can be obtained from www.eqt.com.au/insto. A free of charge paper copy of the information will also be available on request.

6. Fees and costs

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 investment 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 fees. Ask the fund 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) Moneysmart website (www.moneysmart.gov.au) has a managed funds fee calculator to help you check out different fee options.

The information in the following Fees and Costs Summary can be used to compare costs between different simple managed investment schemes. Fees and costs can be paid directly from an investor's account or deducted from investment returns. For information on tax please see Section 7 of this PDS.

Fees and Costs Summary

Coolabah Floating-Rate High Yield Fund (Managed Fund) Assisted Investor Class		
Type of fee or cost	Amount	How and when paid
Ongoing annual fees and costs¹		
<i>Management fees and costs</i> The fees and costs for managing your investment ²	1.00% of the NAV of the Class	The management fees component of management fees and costs are accrued daily and paid from the Class monthly in arrears and reflected in the unit price. Otherwise, the fees and costs are variable and deducted and reflected in the unit price of the Class as they are incurred.
<i>Performance fees</i> Amounts deducted from your investment in relation to the performance of the product	Not applicable	Not applicable

Coolabah Floating-Rate High Yield Fund (Managed Fund) Assisted Investor Class

Type of fee or cost	Amount	How and when paid
<i>Transaction costs</i> The costs incurred by the scheme when buying or selling assets	0.00% of the NAV of the Class	Transaction costs are variable and deducted from the Class as they are incurred and reflected in the unit price. They are disclosed net of amounts recovered by the buy-sell spread.
Member activity related fees and costs (fees for services or when your money moves in or out of the scheme)		
<i>Establishment fee</i> The fee to open your investment	Not applicable	Not applicable
<i>Contribution fee</i> The fee on each amount contributed to your investment	Not applicable	Not applicable
<i>Buy-sell spread</i> An amount deducted from your investment representing costs incurred in transactions by the scheme	0.00 upon entry and 0.05% upon exit	These costs are an additional cost to the investor but are incorporated into the unit price and arise when investing application monies and funding withdrawals from the Class and are not separately charged to the investor. The Buy Spread is paid into the Class as part of an application and the Sell Spread is left in the Class as part of a redemption.
<i>Withdrawal fee</i> The fee on each amount you take out of your investment	Not applicable	Not applicable
<i>Exit fee</i> The fee to close your investment	Not applicable	Not applicable
<i>Switching fee</i> The fee for changing investment options	Not applicable	Not applicable

¹ All fees quoted above are inclusive of Goods and Services Tax (GST) and net of any Reduced Input Tax Credits (RITC). See below for more details as to how the relevant fees and costs are calculated.

² The management fee component of management fees and costs can be negotiated. See "Differential fees" in the "Additional Explanation of Fees and Costs" below.

Additional Explanation of Fees and Costs

Management fees and costs

The management fees and costs include amounts payable for administering and operating the Fund, investing the assets of the Fund, expenses and reimbursements in relation to the Fund and indirect costs if applicable.

Management fees and costs do not include performance fees or transaction costs, which are disclosed separately.

The management fees component of management fees and costs of 1.00% p.a. of the NAV of the Class is payable to the Responsible Entity of the Fund for managing the assets and overseeing the operations of the Fund. The management fees component is accrued daily and paid from the Class monthly in arrears and reflected in the unit price. As at the date of this PDS, the management fees component covers certain ordinary expenses such as Responsible Entity fees, investment management fees, custodian fees, and administration and audit fees.

The indirect costs and other expenses component of 0.00% p.a. of the NAV of the Class may include other ordinary expenses of operating the Fund, as well as management fees and costs (if any) arising from interposed vehicles in or through which the Fund invests. The indirect costs and other expenses component is variable and reflected in the unit price of the Class as the relevant fees and costs are incurred. They are borne by investors, but they are not paid to the Responsible Entity or Investment Manager.

The indirect costs and other expenses component is based on a reasonable estimate of the costs for the current financial year to date, adjusted to reflect a 12 month period. In relation to the costs that have been estimated, they have been estimated on the basis of relevant information for a similar product offering in the market offered by the Investment Manager.

Actual indirect costs for the current and future years may differ. If in future there is an increase to indirect costs disclosed in this PDS, updates will be provided on Equity Trustees' website at www.eqt.com.au/insto where they are not otherwise required to be disclosed to investors under law.

Transaction costs

In managing the assets of the Fund, the Fund may incur transaction costs such as brokerage, buy-sell spreads in respect of the underlying investments of the Fund, settlement costs, clearing costs and applicable stamp duty when assets are bought and sold. Transaction costs also include costs incurred by interposed vehicles in which the Fund invests (if any), that would have been transaction costs if they had been incurred by the Fund itself. Transaction costs are an additional cost to the investor where they are not recovered by the Buy/Sell Spread, and are generally incurred when the assets of the Fund are changed in connection with day-to-day trading or when there are applications or withdrawals which cause net cash flows into or out of the Fund.

The Buy/Sell Spread that is disclosed in the Fees and Costs Summary is a reasonable estimate of transaction costs that the Class will incur when buying or selling assets of the Class. These costs are an additional cost to the investor but are incorporated into the unit price and arise when investing application monies and funding withdrawals from the Class and are not separately charged to the investor. The Buy Spread is paid into the Class as part of an application and the Sell Spread is left in the Class as part of a redemption and not paid to Equity Trustees or the Investment Manager. The estimated Buy/Sell Spread is 0.00 upon entry and 0.05% upon exit. The dollar value of these costs based on an application or a withdrawal of \$1,000 is \$0 (application) and \$0.50 (withdrawal) for each individual transaction. The Buy/Sell Spread can be altered by the Responsible Entity at any time and www.coolabahcapital.com will be updated as soon as practicable to reflect any change. The Responsible Entity may also waive the Buy/Sell Spread in part or in full at its discretion. The transaction costs figure in the Fees and Costs Summary is shown net of any amount recovered by the Buy/Sell Spread charged by the Responsible Entity.

Transaction costs generally arise through the day-to-day trading of the Class's assets and are reflected in the Class's unit price as an additional cost to the investor, as and when they are incurred.

The gross transaction costs for the Class are 0.00% p.a. of the NAV of the Class, which incorporates estimated amounts with reference to the relevant costs incurred during the current financial year to date, adjusted to reflect a 12 month period.

In relation to the costs that have been estimated, they have been estimated on the basis of relevant information for a similar product offering in the market offered by the Investment Manager.

However, actual transaction costs for future years may differ.

Can the fees change?

Yes, all fees can change without investor consent, subject to the maximum fee amounts specified in the Constitution. The current maximum management fee to which Equity Trustees is entitled is 4.00% of the gross asset value of the Class. However, Equity Trustees does not intend to charge that amount and will generally provide investors with at least 30 days' notice of any proposed increase to the management fees component of management fees and costs. In most circumstances, the Constitution defines the maximum level that can be charged for fees described in this PDS. Equity Trustees also has the right to recover all reasonable expenses incurred in relation to the proper performance of its duties in managing the Fund and as such these expenses may increase or decrease accordingly, without notice.

Payments to IDPS Operators

Subject to the law, annual payments may be made to some IDPS Operators because they offer the Fund on their investment menus. Product access is paid by the Investment Manager out of its investment management fee and is not an additional cost to the investor.

Differential fees

The Investment Manager may from time to time negotiate a different fee arrangement (by way of a rebate or waiver of fees) with certain investors who are Australian Wholesale Clients. Please contact the Investment Manager on 1300 901 711 for further information.

Example of annual fees and costs for an investment option

This table gives an example of how the ongoing annual fees and costs in the investment option for this product can affect your investment over a 1-year period. You should use this table to compare this product with other products offered by managed investment schemes.

EXAMPLE – Coolabah Floating-Rate High Yield Fund (Managed Fund) - Assisted Investor Class		
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 fees and costs	1.00% p.a.	And, for every \$50,000 you have in the Class you will be charged or have deducted from your investment \$500 each year
Plus Performance fees	Not applicable	And, you will be charged or have deducted from your investment \$0 in performance fees each year
Plus Transaction costs	0.00% p.a.	And, you will be charged or have deducted from your investment \$0 in transaction costs
Equals Cost of the Class		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees and costs of: \$500* What it costs you will depend on the investment option you choose and the fees you negotiate.

* Additional fees may apply. Please note that this example does not capture all the fees and costs that may apply to you such as the Buy/Sell Spread.

This example assumes the \$5,000 contribution occurs at the end of the first year, therefore the fees and costs are calculated using the \$50,000 balance only.

Warning: If you have consulted a financial adviser, you may pay additional fees. You should refer to the Statement of Advice or Financial Services Guide provided by your financial adviser in which details of the fees are set out.

ASIC provides a fee calculator on www.moneysmart.gov.au, which you may use to calculate the effects of fees and costs on account balances.

The indirect costs and other expenses component of management fees and costs and transaction costs may also be based on estimates. As a result, the total fees and costs that you are charged may differ from the figures shown in the table.

Further reading

You should read the important information in the Reference Guide about fees and costs under the "Fees and other costs" section before making a decision. Go to the Reference Guide which is available at www.eqt.com.au/insto. The material relating to these matters may change between the time when you read this PDS and the day when you acquire the product.

7. How managed investment schemes are taxed

Warning: Investing in a registered managed investment scheme (such as the Fund) is likely to have tax consequences. You are strongly advised to seek your own professional tax advice about the applicable Australian tax (including income tax, GST and duty) consequences and, if appropriate, foreign tax consequences which may apply to you based on your particular circumstances before investing in the Fund.

The Fund is an Australian resident for tax purposes and does not generally pay tax on behalf of its investors. Australian resident investors are assessed for tax on any income and capital gains generated by the Fund to which they become presently entitled or, where the Fund has made a choice to be an Attribution Managed Investment Trust ("AMIT") and the choice is effective for the income year, are attributed to them.

8. How to apply

To invest please complete the Application Form accompanying this PDS, send funds (see details in the Application Form) and your completed Application Form to:

Apex Fund Services Pty Ltd
GPO Box 4968
Sydney NSW 2001

By completing the online application at www.coolabahcapital.com, you can identify yourself and transfer funds with BPAY[®] or electronic funds transfer (EFT) (a reference number will be sent to you).

Please note that cash cannot be accepted and all applications must be made in Australian dollars.

Who can invest?

Eligible persons (as detailed in the 'About this PDS' section) can invest, however individual investors must be 18 years of age or over.

Cooling off period

If you are a retail client (as defined in the Corporations Act) who has invested directly in the Fund, you may have a right to a 'cooling off' period in relation to your investment in the Fund for 14 days from the earlier of:

- confirmation of the investment being received; and
- the end of the fifth business day after the units are issued.

A Retail Client may exercise this right by notifying Equity Trustees in writing. A Retail Client is entitled to a refund of their investment adjusted for any increase or decrease in the relevant Application Price between the time we process your application and the time we receive the notification from you, as well as any other tax and other reasonable administrative expenses and transaction costs associated with the acquisition and termination of the investment.

The right of a Retail Client to cool off does not apply in certain limited situations, such as if the issue is made under a distribution reinvestment plan, switching facility or represents additional contributions required under an existing agreement. Also, the right to cool off does not apply to you if you choose to exercise your rights or powers as a unit holder in the Fund during the 14 day period, this could include selling part of your investment or switching it to another product.

Indirect investors should seek advice from their IDPS Operator as to whether cooling off rights apply to an investment in a fund by the IDPS. The right to cool off in relation to a fund are not directly available to an indirect investor. This is because an Indirect Investor does not acquire the rights of a unit holder in a fund. Rather, an Indirect Investor directs the IDPS Operator to arrange for their monies to be invested in a fund on their behalf. The terms and conditions of the IDPS Guide or similar type document will govern an Indirect Investor's investment in relation to a fund and any rights an indirect investor may have in this regard.

Complaints resolution

Equity Trustees has an established complaints handling process and is committed to properly considering and resolving all complaints. If you have a complaint about your investment, please contact us on:

Phone: 1300 133 472
Post: Equity Trustees Limited
GPO Box 2307, Melbourne VIC 3001
Email: compliance@eqt.com.au

We will acknowledge receipt of the complaint within 1 Business Day or as soon as possible after receiving the complaint. We will seek to resolve your complaint as soon as practicable but not more than 30 calendar days after receiving the complaint.

If you are not satisfied with our response to your complaint, you may be able to lodge a complaint with the Australian Financial Complaints Authority ("AFCA").

Contact details are:
Online: www.afca.org.au
Phone: 1800 931 678
Email: info@afca.org.au
Post: GPO Box 3, Melbourne VIC 3001.

The external dispute resolution body is established to assist you in resolving your complaint where you have been unable to do so with us. However, it's important that you contact us first.

9. Other information

Consents

The Investment Manager and Portfolio Manager have given and, as at the date of this PDS, has not withdrawn:

- its written consent to be named in this PDS as the investment manager and portfolio manager of the Fund respectively; and
- its written consent to the inclusion of the statements made about it, in the form and context in which they appear.

The Investment Manager and the Portfolio Manager have not otherwise been involved in the preparation of this PDS or caused or otherwise authorised the issue of this PDS. Neither the Investment Manager, the Portfolio Manager nor their employees or officers accept any responsibility arising in any way for errors or omissions, other than those statements for which it has provided its written consent to Equity Trustees for inclusion in this PDS.

Further reading

You should read the important information in the Reference Guide about:

- Your privacy;
- The Constitution;
- Anti-Money Laundering and Counter Terrorism Financing ("AML/CTF");
- Indirect Investors;
- Information on underlying investments;
- Foreign Account Tax Compliance Act ("FATCA");
- Common Reporting Standard ("CRS");

under the "Other important information" section before making a decision. Go to the Reference Guide which is available at www.eqt.com.au/insto. The material relating to these matters may change between the time when you read this PDS and the day when you acquire the product.