

Coolabah Short Term Income Fund - Assisted Investor Class



Product Disclosure Statement

mFund SMF02
ARSN 601 093 485
APIR SLT0052AU
Issue Date 19 December 2024

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 Short Term Income Fund - Assisted Investor Class ("Class"), a class of the Coolabah Short Term Income Fund ARSN 601 093 485 (the "Fund"). It contains a number of references to important information (including a glossary of terms), contained in the Coolabah Funds 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 Class.

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 Class 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 Class 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.eq.t.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.eq.t.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.au

Responsible Entity

Equity Trustees Limited
ABN 46 004 031 298, AFSL 240975
GPO Box 2307
Melbourne VIC 3001
Ph: +613 8623 5000
Web: www.eq.t.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 (CCII 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, the CCI's goals are to deliver actively managed fixed income 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 of 31 December 2023, CCI managed over \$9bn AUD.

2. How the Coolabah Short Term Income Fund - Assisted Investor Class works

The Coolabah Short Term Income Fund - Assisted Investor Class is a class of the Coolabah Short Term Income Fund ARSN 601 093 485, a registered managed investment scheme governed by the Constitution. The Class comprises assets which are acquired in accordance with the Class'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 Class.

If you invest in the Class through an IDPS (as defined in the Reference Guide) you will not become an investor in the Class. 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 Class 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 or by making an application through the mFund settlement service ("mFund") by placing a buy order for units with your licensed broker. 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).

If applying via mFund you will need to provide the application money directly to your licensed broker.

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 Class'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 nil.

The Buy Sell Spread may change depending on the liquidity of the assets within the Class's portfolio at that time. Any changes to the spreads after the date of this PDS will be published on the Fund's 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 Class 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 Class 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 Class can indicate a preference to have their distribution:

- reinvested back into the Class; or
- directly credited to their AUD 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 Class can generally withdraw their investment by completing a written request to withdraw from the Class 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

Or by making a withdrawal request through mFund by placing a sell order for units with your licensed broker.

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) or if the withdrawal is received via mFund.

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 AUD denominated Australian domiciled bank account or, where the request is received via mFund, to the investor's licensed broker. Access to your investment for a short period after the end of a distribution period will take longer as the Class's unit price is delayed (typically for no more than 7 Business Days) whilst the distribution is calculated. Equity Trustees is also allowed to reject withdrawal requests, and also to make payment up to 180 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 0.025%.

The Buy Sell Spread may change depending on the liquidity of the assets within the Class's portfolio at that time. Any changes to the spreads after the date of this PDS will be published on the Fund's 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 Class 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 Short Term Income Fund - Assisted Investor Class

Significant benefits

Active management	The Portfolio Manager actively adjusts the Fund's portfolio of Australian cash, bonds, floating-rate notes, asset-backed securities and hybrid securities in order to maximise returns while minimising risk.
Floating Returns	The Fund's strategy targets low interest rate duration risk or a floating-rate portfolio that has a yield that generally moves up and down with the RBA cash rate.
Target return	Targets returns above the RBA cash rate plus 1.5% to 3.0% per annum after management costs – see Fees and costs section of this PDS for details.
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.
Global presence	Access to the investment knowledge of Coolabah's global investment team.

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 or 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 or 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 (i.e. not floating-rate) debt securities with a term to maturity of longer than 24 months unless it hedges out the interest rate risk.

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 low to medium risk rating, which means that the estimated number of negative annual returns over any 20 year period is 1 to 2. On a scale of 1 to 7 where 7 is riskiest in this respect, the Fund is in category 3.

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 Fund targets returns in excess of the RBA cash rate plus 1.5% to 3.0% per annum, after management fees and costs, over a rolling 12 month period.

The investment objective is not intended to be a forecast. It is only an indication of what the investment strategy aims to achieve over a rolling 12 month period. The Fund may not achieve its investment objective. Returns are not guaranteed.

Benchmark

RBA cash rate plus 1.50%.

Minimum suggested time frame

Greater than 1 year.

Risk level

Low to medium risk rating.

Investor suitability

Those seeking returns in excess of the RBA cash rate plus 1.5% to 3.0% per annum, after management fees and costs, over a rolling 12 month period.

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 diversified portfolio of Australian cash and debt investments, including listed hybrids, that offer attractive total returns whilst minimising the risk of capital loss. Active managers seek to exploit mispricing of assets and/or find undervalued securities in order to produce superior performance.

The Fund seeks to offer relatively low interest rate/duration risk with a target of less than 3 months by investing in cash and floating-rate notes, which generally track the returns of the RBA cash rate plus a spread or margin, and limiting the maximum term of any fixed-rate securities to 24 months unless the interest rate has been hedged to floating.

In addition to an active investment philosophy that seeks to profit from mispriced assets, the Fund also employs active asset-allocation between cash and riskier debt/hybrids securities. The Fund retains the agility to switch between cash and debt securities based on the portfolio managers' valuation views of each sector. When credit spreads are wide and the risk-return payoff on debt securities may be higher than cash, the exposure to these debt securities may increase. Equally, when credit spreads compress, the portfolio weight to cash may rise.

The ability to invest 100% in cash is a defensive attribute of the Fund.

Although the Fund is not the same as a bank account, the Fund does have a considered and diversified investment approach:

- the Fund is permitted to invest in bonds, such as government and semi-government bonds, bank and corporate bonds, and asset-backed securities, including residential-mortgage backed securities, issued in Australian Dollars or in G10 currencies hedged to Australian Dollars;
- the Fund is also permitted to invest in cash and cash-equivalent securities, exchange traded derivatives and over-the-counter derivatives;
- the Fund may also invest in units in an ASX-listed fund or trust that solely invests in Australian-dollar denominated deposits, issued by ADIs that are regulated by APRA;
- all the Fund's investments are Australian Dollar-denominated or fully hedged into Australian Dollars (so the Fund has minimal direct exposure to foreign exchange risk);
- the Fund targets a dollar-weighted average Standard & Poor's 'A' credit rating across its bonds and deposits (or equivalent rating as determined by rating agencies);
- the Fund does not hold more than 10% of its portfolio in unrated or unlisted debt securities;
- the Fund does not hold more than 20% of its portfolio in ASX listed hybrids;
- the Fund does not invest directly in listed or unlisted ordinary shares (i.e. equities) although it can invest in exchange traded funds (ETFs), listed income securities and convertible preference shares (or hybrids);
- the Portfolio Manager seeks to limit the Fund's interest rate risk, as defined by changes in capital values resulting from interest rate movements, by investing primarily in short-term deposits and floating-rate debt securities that generally track the RBA's cash rate and fixed-rate bonds with maturities no greater than 24 months. Unless the interest rate is hedged to floating with a target of keeping the portfolio's interest rate duration risk to less than 3 months;
- the Fund is not permitted to use leverage or gearing to enhance its returns; and
- the Fund has a low to medium risk rating under the "standard risk measure" (see Section 4 of this PDS for details).

The Fund also has access to liquidity facilities that allow assets that are classified as “eligible securities” for repurchase by the RBA to be swapped with major Australian and international trading banks in exchange for cash, subject to these banks accepting these assets as part of their own repurchase operations.

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 Portfolio 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 investment opportunities, and assets which are considered mispriced, within the Australian cash, fixed-income and listed hybrid (including bonds and preference shares with equity conversion features) markets. The Fund targets holding 30 to 60 bonds, hybrid securities, and cash investments as appropriate, although the actual number of assets may vary from this target.

Investment 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 and unrated floating rate notes, fixed-rate bonds, asset-backed bonds, and listed hybrids. The Fund may also invest in units in an ASX-listed fund or trust that solely invests in Australian-dollar denominated deposits, issued by Authorised Deposit-taking Institutions (ADIs) which are regulated by the Australian Prudential Regulation Authority (APRA). It is also possible that from time to time derivatives may be used to manage the Fund’s risks when considered appropriate.

Changing the investment strategy

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

Labour Standards, Environmental, Social and Ethical Factors (“ESG considerations”)

EQT has delegated investment decisions including ESG considerations to the Investment Manager. The Investment Manager has delegated these responsibilities to the Portfolio Manager to which it sub-delegates all portfolio management responsibilities for the Fund and its other fixed-income products. The Portfolio Manager has contemplated that labour, environmental, social and ethical considerations will be taken into account in relation to the investment of the Fund.

The Portfolio Manager considers that environmental, social and governance (ESG) factors are important inputs into its investment process and can have notable consequences for the performance of our investments. These consequences extend beyond merely downside risks; they may also include potential upside for the portfolio, such as opportunities arising from ESG factors being overlooked or mispriced by the market, with both market participants and rating agencies often failing to appreciate the full nuance of these factors. Consequently, the consideration and due diligence of ESG factors, both quantitatively and qualitatively, form an important part of the Portfolio Manager’s broader investment process. However, these factors may not necessarily be assessed in accordance with any predetermined weighting or methodology.

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

Environmental:

- Climate and weather related risks.
- Dependency on assets which may be impacted by environmental considerations.
- Pollution and environmental disruption.
- Environment sustainability.

Social:

- political stability in countries of operation.
- Track record and policies on labour, human rights and modern slavery.
- Diversity and inclusion.
- Workplace health and safety, including employee wellbeing.
- Commitment to maintaining internal and customer privacy, including cyber-security.
- Impact on customers and local communities.
- ESG related reputational and brand risks.

Governance:

- Board and government composition.
- Risk management and compliance track-record.
- Litigation and regulatory history.

The Portfolio Manager’s ESG and Stewardship Policy (available here: www.coolabahcapital.com/esg-policy) provides further detail on how ESG factors are proactively considered and integrated into its broader investment and decision-making process.

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 Short Term Income 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	0.69% 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	0.21% of the NAV of the Class ³	Performance fees are calculated daily and paid monthly in arrears from the Class and reflected in the unit price.

Coolabah Short Term Income 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. Any transaction costs at the interposed vehicle level are reflected in the value of the Class's investment in the relevant interposed vehicle, and therefore reflected in the unit price.

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	nil upon entry and 0.025% 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.

³ This represents the performance fee of the Class which is payable as an expense of the Class to the Investment Manager. See "Performance fees" below for more information.

Additional Explanation of Fees and Costs

Management fees and costs

The management fees and costs include amounts payable for administering and operating the Class, investing the assets of the Class, expenses and reimbursements in relation to the Class 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 0.69% p.a. of the NAV of the Class is payable to the Responsible Entity of the Class for managing the assets and overseeing the operations of the Class. 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 Class, as well as management fees and costs (if any) arising from interposed vehicles in or through which the Class 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 the relevant costs incurred during the financial year ended 30 June 2024.

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.

Performance fees

Performance fees include amounts that are calculated by reference to the performance of the Class. The performance fees for the Class are 0.21% of the NAV of the Class. The performance fee figure that is disclosed in the Fees and Costs Summary is generally based on an average of the performance fees over the previous five financial years, where each performance fee relevant to the Class is averaged and totalled to give the performance fees for the Class.

In terms of the performance fees payable to the Investment Manager, a performance fee is payable where the investment performance of the Class exceeds the performance of the RBA cash rate (RBACOR) plus 1.50% (Benchmark), after management fees of 0.69% p.a.. The performance fees are 22.50% of this excess, calculated daily and paid monthly in arrears from the Class and calculated based on the beginning NAV of the Class over the relevant period. No performance fees are payable until any accrued Class losses from prior periods have been made up (this feature is sometimes referred to as a high-watermark).

Please note that the performance fees disclosed in the Fees and Costs Summary is not a forecast as the actual performance fee for the current and future financial years may differ. The Responsible Entity cannot guarantee that performance fees will remain at their previous level or that the performance of the Class will outperform the Benchmark.

It is not possible to estimate the actual performance fee payable in any given period, as we cannot forecast what the performance of the Class will be. Information on current performance fees will be updated from time to time and available at www.eqt.com.au/insto.

Transaction costs

In managing the assets of the Class, the Class may incur transaction costs such as brokerage, buy-sell spreads in respect of the underlying investments of the Class, settlement costs, clearing costs and applicable stamp duty when assets are bought and sold, and the costs of over-the-counter derivatives that reflect transaction costs that would arise if the Fund held the ultimate reference assets, as well as the costs of over-the-counter derivatives used for hedging purposes. Transaction costs also include costs incurred by interposed vehicles in which the Class invests (if any), that would have been transaction costs if they had been incurred by the Class 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 Class 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 Class.

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 nil upon entry and 0.025% upon exit. The dollar value of these costs based on an application or a withdrawal of \$1,000 is \$0 (application) and \$0.25 (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 0.01% p.a. of the NAV of the Class, which is based on the relevant costs incurred during the financial year ended 30 June 2024.

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 GAV 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 Class 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 Class 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.

mFund

Warning: if you are transacting through mFund your stockbroker or accredited intermediary may charge you additional fees (see their Financial Services Guide).

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 Short Term Income 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	0.69% p.a.	And , for every \$50,000 you have in the Coolabah Short Term Income Fund - Assisted Investor Class you will be charged or have deducted from your investment \$345 each year
Plus Performance fees	0.21% p.a.	And , you will be charged or have deducted from your investment \$105 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 Coolabah Short Term Income Fund - Assisted Investor 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: \$450* 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 performance fees stated in this table are based on the average performance fee for the Class, over the previous five financial years. The performance of the Class for this financial year, and the performance fees, may be higher or lower or not payable in the future. It is not a forecast of the performance of the Class or the amount of the performance fees in the future.

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).

If applying via mFund you will need to provide the application money directly to your licensed broker.

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; or
- 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, have not withdrawn:

- their written consent to be named in this PDS as the Investment and/or Manager of the Fund; and/or
- their written consent to the inclusion of the statements made about it and CCII, in the form and context in which they appear.

The Investment Manager, Portfolio Manager and the Custodian 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, Portfolio Manager, the Custodian 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.

mFund Settlement Service

You must use a mFund accredited and licensed broker to facilitate your transactions on mFund. Your chosen broker may charge you additional fees which are not outlined in the Fees and Costs section of 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.