



Product Disclosure Statement

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Monash Absolute Active Trust (Hedge Fund)

ASX Code: MAAT

ARSN: 642 280 331

APIR: PIM5260AU

Product Disclosure Statement 14 April 2021

Responsible Entity and Issuer: The Trust Company (RE Services) Limited

ABN 45 003 278 831, AFS Licence 235 150

Investment Manager: Monash Investors Pty Limited

ABN 67 153 180 333, AFS Licence 417 201

www.monashinvestors.com

Contents

1. Key features of the Fund	3
2. Summary of benchmarks and disclosure principles	5
3. Summary comparison - transacting on the ASX or directly with the Unit Registry.....	9
4. About Monash Investors	11
5. About the Responsible Entity	12
6. Key service providers.....	13
7. About the Fund.....	14
8. Benefits of investing in the Fund	17
9. Risks of investing in the Fund.....	18
10. Fees and other costs.....	21
11. Buying and selling Units on the ASX	27
12. Investing in the Fund directly with the Responsible Entity	28
13. Taxation	32
14. Additional information.....	34
15. AQUA Rules	39
16. Glossary.....	41
17. Contact details	44

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IMPORTANT NOTICES AND DISCLAIMER

ABOUT THIS DOCUMENT

The Trust Company (RE Services) Limited ABN 45 003 278 831 AFS Licence No. 235 150 (**Perpetual or the Responsible Entity**) is the responsible entity of the Monash Absolute Active Trust (Hedge Fund) ARSN 642 280 331 (**Fund**). The Responsible Entity has issued this PDS and is responsible for its contents.

A copy of this PDS was lodged with ASIC on 14 April 2021. No responsibility as to the contents of this PDS is taken by ASIC or ASX.

An application has been made to the ASX for Units to be quoted under the AQUA Rules (ASX code: MAAT). As at the date of this PDS, Units are yet to be admitted to trading status and quoted on the ASX under the AQUA Rules. No applications for Units will be accepted until the exposure period has expired and Units are quoted on the ASX. The exposure period expires 7 days after the date of this PDS, being the date it was lodged with ASIC, subject to possible extension by ASIC for a further 7 days. No representation is made concerning the Fund's quotation on the ASX under the AQUA Rules. For clarity, all references in this PDS to "ASX" are references to ASX Limited ABN 98 008 624 691 only.

The Fund is an Australian registered managed investment scheme. Units are issued by the Responsible Entity on the terms and conditions described in this PDS. By becoming an investor in the Fund (**Investor**), you agree to be bound by the terms of this PDS and the Constitution.

The Investment Manager for the Fund is Monash Investors Pty Ltd ABN 67 153 180 333 AFSL 417 201 (**Monash Investors**). The Responsible Entity has appointed Monash Investors to provide investment management and other services to the Fund, pursuant to the Investment Management Agreement (see section 1 for more details).

Except as, and to the extent, required by law, the Responsible Entity, Monash Investors and their respective employees, agents and officers do not guarantee the success or investment performance of the Fund, repayment of capital, payment of any income or return on investment or price at which Units may trade. It is your obligation to seek any advice and observe any legal restrictions on investment in the Fund which may apply to you.

An investment in the Fund is subject to investment risk, which may include possible delays in repayment and loss of capital. Investors do not have any cooling-off rights. For more information on the risks associated with an investment in the Fund, please see section 9 (*Risks of investing in the Fund*).

You should not base your investment decision solely on the information in this PDS. You should obtain professional financial advice tailored to your personal circumstances and consider the suitability of the Fund in view of your own financial position, investment objectives and needs before making an investment decision.

All monetary amounts in this PDS are in Australian dollars. All fees are inclusive of goods and services tax (**GST**) and take into account reduced input tax credits (**RITC**) if applicable.

Information in this PDS is subject to change from time to time. To the extent that a change is not materially adverse to Investors, it will be made available by posting a notice of the change on the Fund's website at www.monashinvestors.com. Any material updates will be notified to Investors through the ASX announcements platform. A paper copy of any updated information will be provided free of charge on request.

In accordance with its obligations under the Corporations Act, the Responsible Entity may issue a supplementary PDS to supplement any relevant information not disclosed in this PDS. You should read any supplementary disclosures made in conjunction with this PDS prior to making any investment decision.

DISCLAIMERS

The information in this PDS is general information only and does not take into account your investment objectives, financial situation or particular needs. Accordingly, nothing in this PDS is a recommendation by the Responsible Entity or any other person concerning an investment in the Units. You should read all of this PDS and seek independent professional investment and taxation advice before making an investment decision.

This PDS does not constitute an offer in any jurisdiction other than Australia or to anyone whom it would not be lawful to make such an offer.

Capitalised terms have the meanings given to them in the Glossary (refer to section 1).

1. Key features of the Fund

This section summarises some of the key features of the Fund. This summary is not intended to be exhaustive. You should refer to the relevant cross-referenced sections below and read all of this PDS before making any investment decision.

Key Fund information		Section
Fund Name	Monash Absolute Active Trust (Hedge Fund)	
ARSN	642 280 331	
Proposed ASX code¹	MAAT	
Responsible Entity	The Trust Company (RE Services) Limited, ABN 45 003 278 831, AFS Licence No. 235 150	5
Investment Manager	Monash Investors Pty Ltd ABN 67 153 180 333, AFSL 417 201	4
About the Fund	<p>The Fund has been registered as a managed investment scheme and an application has been made for Units to be quoted under the ASX's AQUA Rules.</p> <p>The Fund is a Long Biased long/short fund that will invest in a portfolio of equity securities quoted on the ASX (Australian Listed Equities) with an Absolute Return Focus. It will take long and short positions. The Fund may also invest in exchange traded derivatives and cash equivalent investments and hold cash deposits.</p> <p>The Responsible Entity has engaged the Investment Manager to manage the Fund's assets and to implement the Fund's investment strategy. Monash Investors primarily employs fundamental, bottom-up company research and the investment skills and judgement of its experienced portfolio managers.</p> <p>The investment strategy is Benchmark Unaware. Accordingly, the Investment Manager does not predetermine the asset allocations for the Fund. Rather, the Fund will only invest when suitable opportunities are identified by the Investment Manager. As such, asset exposures may vary significantly over time and without notice.</p>	7
Investment objective	<p>The Fund aims to deliver double digit returns while limiting loss of capital over a full Market Cycle.</p> <p>There is no guarantee that this objective will be achieved and it is only an indication of the target return the Fund is seeking. The value of the Fund may fall as well as rise.</p>	7
Net Asset Value (NAV) and indicative NAV (iNAV)	<p>Mainstream as the Fund's Administrator will calculate the Fund's net asset value (NAV) per Unit each Business Day based on the Market Price of the Fund's investments as at the close of trading on the previous ASX Trading Day.</p> <p>The Calculation Agent will calculate an indicative NAV (iNAV) per Unit throughout each ASX Trading Day, using updated Market Prices for the investments held by the Fund.</p> <p>The NAV and iNAV will be published on the Fund's website at www.monashinvestors.com.</p>	7
ASX liquidity	The Responsible Entity, on behalf of the Fund, will seek to facilitate a liquid market for Units on the ASX, by buying and selling Units. The Responsible Entity has appointed Macquarie to act as its agent to execute its market making activities.	
Investment horizon	Investors should have a minimum investment horizon of five years.	7

¹ An application has been made to the ASX for Units to be quoted under the AQUA Rules (ASX code: MAAT). As at the date of this PDS, Units are yet to be admitted to trading status and quoted on the ASX under the AQUA Rules. No representation is made concerning the Fund's quotation on the ASX under the AQUA Rules. If quotation is not granted within 3 months after the date of this PDS, no Units will be issued and all application money will be refunded (interest will be retained by the fund).

Distributions	The Responsible Entity intends to target a cash distribution of at least 1.50% of NAV each quarter.	7 and 14
Choice of transacting on-market or directly with the Unit Registry	<p>Investors have the flexibility of choosing whether to transact on-market or directly with the Unit Registry.</p> <p>Investors can buy and sell Units:</p> <ul style="list-style-type: none"> on-market through a stockbroker or trading platform; or directly with the Unit Registry (as the Responsible Entity's agent) by lodging an Application Form or a Withdrawal Form. You will need to hold your Units on the issuer sponsored sub-register to make a withdrawal request directly to the Unit Registry. <p>The method by which you acquire Units does not limit the method by which you can dispose of Units. If you buy Units on the ASX you can sell those Units on the ASX or lodge a Withdrawal Form directly with the Responsible Entity. If you apply for Units directly to the Responsible Entity you can sell those Units on the ASX or lodge a Withdrawal Form directly with the Unit Registry.</p>	
Differences between transacting on-market or directly with the Unit Registry	<p>There are differences between buying and selling Units on-market on the ASX and applying for Units or making a withdrawal request directly to the Unit Registry. These differences include the Unit price applicable to an Investor on acquiring, or disposing of, Units, and the minimum investment and withdrawal amounts that apply.</p> <p>For example:</p> <ul style="list-style-type: none"> an Investor who withdraws Units directly by giving the Unit Registry a Withdrawal Form, is likely to receive a different price for their Units compared to an Investor who sells their Units on the ASX at the same time. The differences in prices received by Investors may result in a different return from an investment in the Fund. Please refer to section 12; an Application Form is not required to be completed by Investors who buy Units on the ASX; a Withdrawal Form is not required to be completed by Investors who sell Units on the ASX; and on-market purchases and sales will be settled through the ASX CHESS settlement service. <p>Please refer to sections 11 and 12 for a detailed explanation of investing in, and withdrawing from, the Fund.</p>	
Off-market Unit applications made directly to the Unit Registry	<p>Investors can invest in the Fund by applying for Units by completing the Application Form that accompanies this PDS and giving it to the Unit Registry.</p> <p>An application will generally be accepted if you provide a correctly completed Application Form, identification documents (if applicable) and cleared application money on or before 2.00pm (Sydney time) on a Business Day. Otherwise, if those requirements are satisfied after 2.00pm (Sydney time) on a Business Day your application will generally be accepted before 2.00pm (Sydney time) on the next Business Day. You will generally receive the Application Price calculated for the Business Day on which your application is accepted.</p>	10, 11, and 12
Cooling-off rights	Cooling-off rights do not apply to an investment in Units regardless of whether Investors acquire Units on the ASX or directly from the Unit Registry.	11 and 12
Fees and other costs	<p>The Investment Manager is entitled to a management fee of 1.3833% per annum of the NAV (GST inclusive) out of which the Responsible Entity's management fee is also paid.</p> <p>The Investment Manager may be entitled to a performance fee.</p> <p>Please refer to section 10 for a detailed explanation of fees and costs.</p>	10
Risks	All investments are subject to risk. The significant risks associated with the Fund are described in section 9.	9

2. Summary of benchmarks and disclosure principles

This section addresses ASIC's benchmarks and disclosure principles for hedge funds and provides references to other sections of this PDS where you can find further information. This information addresses key issues that ASIC requires to be disclosed to enable prospective investors to make an informed investment decision.

Benchmarks

Benchmark	Summary	Further information
Valuation of assets	<p>This benchmark addresses whether valuations of the Fund's non-exchange traded assets are provided by an independent administrator or independent service provider.</p> <p>The Fund meets this benchmark.</p> <p>The valuation of the Fund's net asset value (NAV) per Unit is calculated by Mainstream as the Administrator for the purposes of calculating the Application Price and the Withdrawal Price for Investors transacting directly with the Unit Registry. The NAV and those prices are published on the Fund's website at www.monashinvestors.com each Business Day calculated using the closing Market Prices of the Fund's investments for the previous ASX Trading Day.</p> <p>An indicative NAV (iNAV) per Unit is also calculated by the Calculation Agent throughout each ASX Trading Day to take into account any changes in the Market Prices of securities held by the Fund. The iNAV will be published on the Fund's website at www.monashinvestors.com.</p> <p>Neither Mainstream nor the Calculation Agent is related to the Responsible Entity or Monash Investors.</p>	Section 7
Periodic reporting	<p>This benchmark addresses whether the Responsible Entity will provide periodic disclosure of certain key information on an annual and monthly basis.</p> <p>The Fund meets this benchmark.</p> <p>The Responsible Entity provides periodic reports on certain key information relating to the Fund on a monthly and annual basis, as set out in section 7.</p>	Section 7

Disclosure principles

The following table summarises the information required by ASIC's disclosure principles for hedge funds. Detailed explanation of this information is contained within the section of this PDS shown in the right-hand (*Further information*) column and should be read before making an investment decision.

Disclosure principle	Summary	Further information
Investment strategy	<p>The Investment Manager seeks to implement the Fund's investment strategy by investing in Australian Listed Equities (taking long and short positions). The Fund may also invest in exchange traded derivatives, cash and cash equivalent investments.</p> <p>The investment strategy is Benchmark Unaware with an Absolute Return Focus. There is no predetermined asset allocation; rather, the Fund only invests when suitable opportunities are identified by the Investment Manager. As such, asset exposures may vary significantly over time and without notice.</p> <p>Monash Investors primarily employs fundamental, bottom-up company research and the judgement and skill of its experienced portfolio managers.</p> <p>A key strategy of the Investment Manager is to use short-selling which is a process designed to deliver enhanced</p>	Section 7

Disclosure principle	Summary	Further information
	<p>relative and risk-adjusted returns by increasing the gross market exposure of the Fund to the quoted security sold short.</p> <p>From time to time, the Fund may also borrow cash using an overdraft facility or use derivatives to amplify its exposure to an asset or asset class.</p> <p>The Investment Manager's ability to generate investment returns for the Fund will depend on the investment skills and judgement of the Investment Manager's experienced portfolio managers, the availability of assets that meet the Fund's investment guidelines, market conditions for the Australian equities market and the effect of the key risks identified in section 9.</p> <p>All assets of the Fund will be located in Australia and denominated in Australian dollars.</p> <p>Monash Investors uses a risk management framework with daily monitoring to manage the Fund's exposures within the asset classes and market exposure limits of the Fund.</p> <p>The Responsible Entity may change the Fund's investment strategy, benchmark, and asset allocation ranges and limits, and in some cases may do this without prior notice to Investors.</p>	
Investment Manager	The Investment Manager for the Fund is Monash Investors Pty Ltd ABN 67 153 180 333 AFSL 417 201.	Sections 3 and 4
Fund structure	<p>The Fund is a managed investment scheme registered in Australia.</p> <p>Perpetual is the Responsible Entity of, and issuer of Units in, the Fund. Perpetual is responsible for the day to day operations of the Fund and has appointed Australian based key service providers who are involved in the Fund's ongoing operation. Details concerning these key service providers and the scope of their services are outlined in section 6.</p> <p>The Responsible Entity will use various methods to monitor the performance of the service providers, including the review of regular compliance and audit reports, regular observation of service provider performance and engaging with service providers through regular meetings.</p> <p>The risks of the Fund structure are outlined in section 9.</p>	Sections 6 and 7
Valuation of assets	<p>Mainstream is the Fund's Administrator and is responsible for providing portfolio valuation, investment administration, accounting and registry services. The Administrator is responsible for calculating the NAV on each Business Day. The Administrator will calculate the unit price and value the assets of the Fund in accordance with the unit pricing and valuation policy of the Fund.</p> <p>The NAV on a particular Business Day reflects the value of the Fund at the close of the previous ASX Trading Day. See section 7 for more information on how the NAV per Unit is calculated.</p> <p>In accordance with the Fund's Constitution and the valuation policy adopted by the Fund:</p> <ul style="list-style-type: none"> marketable securities will be valued at their last traded price unless there is disrupted trading and prices are not available or the security is thinly traded, in which case professional judgement will be required to determine the appropriate valuation and the security may be valued using the most recently available price; 	Section 7

Disclosure principle	Summary	Further information
	<ul style="list-style-type: none"> derivatives will be valued based upon prices obtained from reputable service providers; and cash will be valued at its face value with the addition of accrued interest. 	
Custody of the Fund's assets and Prime Broker	The Responsible Entity has appointed Morgan Stanley as the Prime Broker and Custodian. In addition to custodial services, as Prime Broker it may provide margin financing, clearing, settlement and stock borrowing services to the Fund.	Section 6
Liquidity	<p>Units will be able to be traded on the ASX whilst the Fund remains listed and the Units quoted.</p> <p>Investors will also be able to withdraw their investment in the Fund directly from the Responsible Entity whilst the Fund is "liquid" for the purposes of the Corporations Act or pursuant to a withdrawal offer by the Responsible Entity (if it chooses to make one).</p> <p>The Responsible Entity reasonably expects that under normal market conditions 80% of the Fund's assets will be capable of being realised within a reasonable time (and at any rate, no later than 21 days) at the value ascribed to those assets in calculating the Fund's NAV. For the purposes of the Corporations Act, the Fund will be liquid if 80% or more of the value of the property of the Fund are liquid assets. Marketable securities and cash are deemed to be liquid assets. Accordingly, ordinarily the Fund will be liquid.</p>	Sections 9, 11, 12 and 13
Leverage	<p>The Fund can employ leverage through monies borrowed under an overdraft facility with the Prime Broker or use of derivatives to amplify investment exposure.</p> <p>The Fund may also be leveraged through the use of short-selling, which increases the Fund's gross market exposure to the security sold short. Whilst the use of leverage may increase the potential return on an investment in the Fund, it also increases the level of risk and may result in losses.</p> <p>The maximum allowed long position is 200% and the maximum short position in the Fund is 100% (for every \$1.00 of the Fund's NAV, at most \$2.00 is invested long and at most \$1.00 is invested short). The total maximum gross exposure is therefore 300% of the Fund's NAV (a gross exposure of \$3.00 for every \$1.00 invested in the Fund). However, the expected average gross exposure range is 80% - 120% of the Fund (a gross exposure of \$0.80 - \$1.20 for every \$1.00 invested in the Fund). The maximum net exposure of the Fund is limited to 150% (a net exposure of \$1.50 for every \$1.00 invested in the Fund) and the expected average net exposure range is 60% - 100% (a net exposure of \$0.60 - \$1.00 for every \$1.00 invested in the Fund). A worked example showing the impact of leverage on investment returns and losses, assuming the maximum anticipated level of leverage is set out in section 7.</p> <p>The obligations of the Fund to the Prime Broker in respect of any transactions will be secured by transferring to the Prime Broker by way of security, title to the Fund's listed securities and/or cash (Collateral).</p> <p>The assets of the Fund may be exposed to set off rights or claims where leverage is used.</p>	Sections 7 and 9
Derivatives	Exchange traded derivatives may be used by the Fund from time to time to manage risk or gain investment exposure if Monash Investors believes this to be in the best interests of Investors. The Fund will not use derivatives with a total notional value of more than 5% of the Fund's NAV.	Sections 7 and 9

Disclosure principle	Summary	Further information
	<p>Monash Investors' criteria for selecting counterparties include that they must have, as a minimum, a long term investment grade credit rating from a major credit ratings agency. Monash Investors has a framework in place to assess derivative counterparties and monitor exposures.</p> <p>The types of derivatives that may be used are set out in 'Derivatives' in section 7. There are specific risks associated with the use of derivatives including the requirement to post Collateral. The counterparty may deal with the Collateral for its own purposes as though the assets of the Fund were its own assets, subject to an obligation to return equivalent securities or cash value. In the event of an insolvency of the counterparty, the Fund may not be able to recover some or all of the Collateral posted.</p>	
Short Selling	<p>The Fund employs short selling techniques to hedge exposures or to enhance potential returns. This is achieved by borrowing securities from the Prime Broker and selling those securities. If the securities fall in value, the Fund will purchase securities of the same type and return those securities to the Prime Broker to generate a profit. However, if the securities increase in value, this will generate a loss for the Fund.</p> <p>See section 9 for more information on short selling, the risks associated with short-selling and how the Investment Manager will seek to manage those risks.</p>	Sections 7 and 9.
Withdrawals	<p>Investors can exit the Fund by selling Units on the ASX or by making a withdrawal request directly to the Responsible Entity.</p> <p>There are differences between selling Units on the ASX and making a withdrawal request to the Responsible Entity. These differences include the Unit price Investors will pay for Units or receive for the sale or withdrawal of their investment from the Fund.</p> <p>If you sell Units on-market you will be paid the Market Price at which you sold (less any applicable brokerage). By contrast, if you chose to withdraw directly by giving the Unit Registry a Withdrawal Form, you will receive the Withdrawal Price calculated by reference to the applicable NAV and after adjusting for (that is, by subtracting) the 0.30% Sell Spread.</p> <p>In some circumstances (for example, if the Fund is not a Liquid Scheme as defined in the Corporations Act), Investors may not be able to withdraw their investment directly with the Unit Registry in the usual period or at all.</p> <p>Investors will be notified of any material changes to the Responsible Entity's approach to dealing with direct withdrawal requests through the ASX announcements platform.</p>	Sections 11, 12 and 13

3. Summary comparison - transacting on the ASX or directly with the Unit Registry

As noted above, an Investor that applies for Units directly to the Unit Registry may pay a different price for their Units compared to the price paid by an Investor who buys Units on the ASX at the same time. Similarly, an Investor who gives a Withdrawal Form directly to the Unit Registry is likely to receive a different price for their Units compared to an Investor who sells their Units on the ASX at the same time. **These differences in prices received by Investors may result in a different return from an investment in the Fund.**

The following table sets out key differences between buying and selling Units on-market compared to applying for or withdrawing Units directly with the Unit Registry. This table is a summary only, and you should read this PDS in full before making any decision to invest in the Fund. For more information on buying and selling Units on the ASX see section 11. For more information on how to directly apply for, or directly withdraw from, the Unit Registry, see section 12.

Question	Buying and selling Units on the ASX	Applying for and withdrawing Units directly from the Unit Registry
<p>How do I make an investment in the Fund?</p>	<p>You can invest in the Fund by purchasing Units on-market through your stockbroker. Trading generally occurs between the hours of 10.00am and 4.00pm on ASX Trading Days.</p> <p>You do not need to complete an Application Form to buy Units on-market. Your purchase of Units will be settled through the ASX CHES settlement service.</p>	<p>To apply for Units directly you must send a correctly completed Application Form and the required supporting identification documentation to our Unit Registry and pay the application money into the Fund's application bank account.</p> <p>If your application is accepted, the Unit Registry will process your application and issue Units to you when we receive this documentation along with your cleared application money.</p> <p>Generally, Units will be issued within 2 Business Days of the clearance of your application money.</p>
<p>What is my entry price when I make an investment in the Fund?</p>	<p>Your entry price will be the market price at which you buy Units on the ASX. Investors may also incur brokerage fees and commissions when buying and selling Units on the ASX. Investors should consult their stockbroker for information in relation to their fees and charges.</p> <p>Stockbrokers will provide transaction confirmations for Units bought or sold on the ASX.</p>	<p>Units are acquired directly from the Unit Registry at the Application Price determined in accordance with the Constitution and is generally equal to the NAV divided by the number of Units on issue plus an allowance for the Buy Spread incurred by the Fund. As at the date of this PDS the Buy Spread is 0.30%.</p> <p>Units are issued at the applicable Application Price as at the Business Day on which the application is accepted if before 2.00pm or otherwise on the next Business Day. The Responsible Entity may issue Units before application money is received as cleared funds but if cleared funds are not received the Units may be cancelled by the Responsible Entity and deemed not to have been issued.</p> <p>The time it takes for application money to clear varies depending on how you transfer the money.</p>
<p>Is there a minimum number of Units I need to purchase?</p>	<p>This will depend upon your stockbroker. It is common for stockbrokers to require that an initial purchase of any particular securities must be for least \$500, known as a "minimum marketable parcel" of securities and to allow further acquisitions provided that no fractions may be acquired. Only whole Units may be bought or sold on the ASX.</p>	<p>The minimum initial investment amount for Investors applying for Units directly to the Unit Registry is \$10,000.</p> <p>Additional investments can be made at any time. A minimum amount may apply to buying additional Units depending on the method of your payment, see section 12 for further information.</p>

Question	Buying and selling Units on the ASX	Applying for and withdrawing Units directly from the Unit Registry
Do cooling-off rights apply to my purchase of Units?	No. Investors do not have cooling-off rights in respect of Units purchased on the ASX.	No. Investors do not have cooling-off rights in respect of Units purchased directly from the Unit Registry.
How do I withdraw my investment in the Fund?	<p>You may withdraw from the Fund by selling Units on the ASX through your stockbroker, in which case you do not need to complete a Withdrawal Form.</p> <p>The sale of your Units will be settled through the ASX CHESS settlement service.</p> <p>There may be circumstances in which trading of the Units on the ASX is suspended (see below).</p>	<p>You will need to hold your Units on the issuer sponsored sub-register to make a withdrawal directly with the Unit Registry. You can make a withdrawal request for some or all of your Units by sending a correctly completed Withdrawal Form to the Unit Registry.</p> <p>There may be circumstances in which direct withdrawals are suspended either under the Constitution (for example if there is a general disruption to financial markets) or because the Fund is not a Liquid Scheme. If that occurs you may not be able to withdraw your investment directly from the Unit Registry in the usual period or at all.</p> <p>For further information on making a withdrawal request directly to the Unit Registry, see section 12.</p>
What if trading of Units on the ASX is suspended?	In some circumstances the ASX may suspend the trading of Units (for example if the Responsible Entity fails to comply with the AQUA Rules in relation to the Fund) or trading may be disrupted generally. If so, Investors would not be able to sell their Units on the ASX whilst the suspension or disruption persists.	Even if the trading of Units on the ASX has been suspended or disrupted, Investors may be able to withdraw directly from the Fund by giving the Unit Registry a Withdrawal Form, unless direct withdrawals have been suspended.
What if direct withdrawals are suspended or the Fund ceases to be a Liquid Scheme?	If the Units remain quoted and trading in them is not suspended, then, subject to the AQUA Rules, it may be possible to sell Units on-market even though direct withdrawals from the Fund are not available.	Investors will be unable to seek to withdraw directly from the Fund unless the Responsible Entity makes a special withdrawal offer to all Investors in accordance with the Corporations Act.
For what price can I sell my Units in the Fund?	Your sale price will be the Market Price at which you sold your Units on the ASX. You may also have to pay brokerage costs.	The Withdrawal Price you receive will be the NAV per Unit less an allowance for the Sell Spread incurred by the Fund (as at the date of this PDS the allowance was 0.30%). The Withdrawal Price will be calculated as at the Business Day on which the Unit Registry receives your correctly completed Withdrawal Form, provided this is before 2.00pm (Sydney time). If the Withdrawal Form is received on a day that is not a Business Day or after 2.00pm on a Business Day, it will be treated as a request for withdrawal received on the next Business Day and your Withdrawal Price will be calculated as at the next Business Day.
Is there a minimum withdrawal amount for the Fund?	There is no minimum number of Units that Investors can sell on the ASX, provided that only a whole number of Units may be sold (and not any fraction).	There is no minimum number of Units that Investors may withdraw by a request made directly to the Unit Registry.

4. About Monash Investors

Monash Investors Pty Ltd (**Monash Investors**) is an investment management company founded, and majority owned, by Simon Shields and Shane Fitzgerald. Together, they have almost 60 years' collective experience in investing in financial markets and they are responsible for making investment decisions for Monash Investors.

Monash Investors holds an Australian Financial Services Licence (number 417 201).

Monash Investors has been appointed by the Responsible Entity to be the Investment Manager for the Fund. The Investment Management Agreement sets out the terms on which Monash Investors has been appointed (see section 14 for details).

More information about Monash Investors can be found including any changes to key personnel at www.monashinvestors.com.

Simon Shields Portfolio manager

Simon is one of Australia's leading fund managers with over 32 years' of industry experience including in roles as Head of Australian Equities at UBS Global Asset Management (Australia) Limited and Head of Australian Equities at Colonial First State Limited. Simon has been a member of and/or led multi-award winning equities teams across a range of investment styles.

Simon holds a Bachelor of Commerce with Honours, Bachelor of Law, Masters of Business Administration and is a Chartered Financial Analyst.

Simon commenced his career as an analyst with Westpac Investment Management Limited (now part of BT Investment Management Limited) before moving into a portfolio management role. In 1995, he moved to

Rothschild Australia Asset Management Limited as a Portfolio Manager, responsible for value-style Australian equities. In March 1998, he joined CFS as a Senior Portfolio Manager, responsible for growth style Australian and New Zealand equities, before becoming the Head of Australian Equities in January 2004. In July 2007, he moved to UBS as Managing Director and Head of Australian Equities and in 2011 he also took responsibility for the ING Investment Management Limited Australian equities team following its acquisition by UBS.

Simon is a director and co-founder of Monash Investors. Approximately 90% of Simon's time is spent on investment activities for the Fund.

Shane Fitzgerald Portfolio manager

Shane has over 29 years' financial services experience including working at JP Morgan Securities (Australia) Limited and UBS Global Asset Management (Australia) Limited. He holds a Bachelor of Commerce with Honours in Economics.

Shane commenced his career at JP Morgan as an analyst, before moving into a senior research analyst role and eventually becoming the Head of Insurance and Diversified Financial Research, as well as an Executive Director.

In 2008, he joined UBS as a director and investment analyst.

Shane is a director and co-founder of Monash Investors. His role includes research, analysis, dealing and investment management of the Fund. Approximately 90% of Shane's time is spent on investment activities for the Fund.

5. About the Responsible Entity

The Trust Company (RE Services) Limited (**Perpetual** or **Responsible Entity**) is the responsible entity of the Fund.

The Responsible Entity is a wholly owned subsidiary of Perpetual Limited (ABN 86 000 431 827) and part of the Perpetual Group which has been in operation for over 130 years. Perpetual Limited is an Australian public company that has been listed on the Australian Securities Exchange for over 50 years.

The Responsible Entity holds an Australian Financial Services Licence (number 235 150) issued by ASIC, which authorises it to operate the Fund.

The Responsible Entity is bound by the Constitution, the Corporations Act and the AQUA Rules. The Responsible Entity has lodged a compliance plan with ASIC which sets out the key measures which the Responsible Entity will apply to comply with the Constitution, the Corporations Act and the AQUA Rules.

The Responsible Entity has the power to delegate certain aspects of its duties.

The Responsible Entity has appointed Monash Investors as the Investment Manager of the Fund.

The Investment Management Agreement is for an initial term of ten years. The term may be extended with the approval of Investors.

The Responsible Entity may only terminate the Investment Management Agreement:

- if a receiver, receiver and manager, administrative receiver or similar person is appointed with respect to the assets and undertakings of the Investment Manager;
- for cause (including material breach);
- if a change of control event occurs in relation to Monash Investors and a special resolution is passed by the Investors directing the Responsible Entity to terminate the Investment Management Agreement or the appointment of the Investment Manager;
- in accordance with law;
- if the Fund terminates in accordance with the Constitution or the Corporations Act; or
- after the expiry of the initial or an extended Investor approved term, by giving three months' notice in writing to Monash Investors if an ordinary resolution is passed by the Investors directing the Responsible Entity to terminate the Investment Management Agreement or the appointment of Monash Investors.

Investment in the Fund is not a deposit with, or liability of, the Responsible Entity or any other company of the Perpetual Group. An investment is subject to investment risk, including possible delays in repayment and loss of income and principal invested. None of the Responsible Entity, Mainstream, Monash Investors or their related entities, shareholders, directors or officers guarantees the performance of the Fund, the return of an Investor's capital or any specific rate of return.

More information can be found at www.perpetual.com.au.

6. Key service providers

There are a number of parties, in addition to the Responsible Entity, involved in the operation and administration of the Fund or who otherwise provide services in connection with the Fund.

Key service providers are shown in the table below.

Key service provider (role)	Description	Jurisdiction
Monash Investors Pty Limited (Investment Manager)	The Investment Manager is appointed under the Investment Management Agreement and is responsible for making investment decisions for the Fund. For a summary of the Investment Management Agreement see section 14.	Australia
Mainstream Fund Services Pty Ltd (Administrator and Unit Registry)	Mainstream provides administration services such as registry and fund accounting for the Fund. It is responsible for processing Application and Withdrawal Forms given directly to it.	Australia
Macquarie Securities (Australia) Limited (Market Making Agent)	Macquarie Securities (Australia) Limited (Macquarie) has been appointed to undertaking market-making activities for the Fund under a services agreement entered into between the Responsible Entity, Macquarie and Monash Investors. The role of the market making agent is to facilitate an orderly and liquid market by placing buy and sell orders for Units for the Responsible Entity to satisfy on-market supply and demand for Units. For a summary of the market making agent services agreement see section 14.	Australia
Morgan Stanley & Co. International plc (Prime Broker and Custodian)	<p>Morgan Stanley & Co. International plc. (Prime Broker and Custodian), a member of the Morgan Stanley Group of companies (Morgan Stanley Companies) based in London, will provide prime brokerage services to the Fund under the terms of the International Prime Brokerage Agreement (Prime Broker Agreement) entered into between the Fund and the Prime Broker for itself and as agent for certain other Morgan Stanley Companies. These services may include the provision to the Fund of margin financing, clearing, settlement and stock borrowing. The Fund may also utilise the Prime Broker, other Morgan Stanley Companies and other brokers and dealers for the purposes of executing transactions for the Fund.</p> <p>The Prime Broker will also provide custody services for the Fund's investments, including by taking custody of title documentation and holding securities in its name as the Responsible Entity's custodian (as part of its prime brokerage function in accordance with the terms of the Prime Broker Agreement). The Prime Broker may appoint sub-custodians, including other Morgan Stanley Companies.</p>	England and Wales
ICE Data Services Australia Pty Limited (Calculation Agent)	The Calculation Agent calculates the Fund's iNAV throughout each ASX Trading Day.	Australia
Ernst & Young Sydney (Fund Auditor)	Ernst & Young has been appointed as the independent auditor of the Fund's financial statements.	Australia
PricewaterhouseCoopers (Compliance Plan Auditor)	PricewaterhouseCoopers has been appointed as the independent auditor of the Fund's Compliance Plan.	Australia

7. About the Fund

Overview

The Fund is an Australian registered managed investment scheme and unit trust, in which investment money from Investors is pooled.

Each Unit represents an equal share in the net assets of the Fund, however no Investor is entitled to a specific asset or part of a specific asset of the Fund. The rights of Investors are set out in the Constitution and the Corporations Act.

An application has been made to the ASX for Units to be quoted under the AQUA Rules (ASX code: MAAT). As at the date of this PDS, Units are yet to be admitted to trading status and quoted on the ASX under the AQUA Rules. If Units are not admitted for quotation within 3 months after the date of this PDS, all application money will be returned without interest.

Once Units are quoted on the ASX, Investors will be able to trade Units on the ASX in the same way as trading other ASX listed securities, subject to liquidity. Investors should note that there are some important differences between the AQUA Rules which will apply to Units and the Listing Rules that apply to other securities quoted on the ASX market. Those differences are outlined in section 15, together with other information regarding the AQUA Rules.

Minimum suggested investment horizon

5 years or more.

Investment return objective

The Investment Manager aims to deliver double digit returns over a full Market Cycle, while limiting loss of capital over the medium term. There is no guarantee that this objective will be achieved and this objective is only an indication of the intended target return the Fund is seeking.

Investing in the Fund exposes you to certain risks. You should weigh up the potential benefits against the risks of investing (see section 9 (*Risks of investing in the Fund*) for further information).

Investment strategy

The Fund is a Long Biased long/short with a portfolio of Australian Listed Equities and an Absolute Return Focus. To the extent the Investment Manager cannot identify suitable investments, the Fund will hold cash deposits or cash equivalents.

Monash Investors primarily employs fundamental, bottom-up company research and it relies on the judgement and skill of its experienced portfolio managers.

The investment strategy is Benchmark Unaware. Accordingly, the Investment Manager does not predetermine the asset allocations for the Fund. Rather, the Fund will only invest when suitable opportunities are identified by the Investment Manager. As such, asset

exposures may vary significantly over time and without notice.

All assets of the Fund will be located in Australia and denominated in Australian dollars.

Leverage

From time to time, the Fund may borrow cash using an overdraft facility with the Prime Broker or use derivatives to amplify its exposure to a particular equity security or equity asset class. The Fund may also be leveraged through the use of short selling, which increases the Fund's gross market exposure to the equity security sold short.

The maximum net exposure of the Fund (the gross long positions less the gross short positions) must not exceed 150% of the NAV.

A worked example - leverage

If the Fund has \$100 under management, Monash Investors could implement a strategy that results in the Fund having up to \$200 (i.e. 200% gross long positions) and up to \$100 (i.e. 100% of gross short positions). Importantly however, the maximum net exposure of the Fund, must not exceed \$150 (i.e. 150%). By way of illustration, if the Fund were at its maximum level of net leverage, with \$200 of gross long positions and \$50 of gross short positions:

- a 10% appreciation in the value of gross long positions (that is, 10% of \$200 or an appreciation of \$20) would increase the value of the portfolio by 20% (that is gross long positions would be \$220);
- a 10% appreciation in the value of gross short positions would decrease the value of the portfolio by 5%;
- a 10% depreciation in the value of gross long positions would decrease the value of the portfolio by 20%; and
- a 10% depreciation in the value of gross short positions would increase the value of the portfolio by 5%.

Derivatives

The investment strategy involves the use of exchange traded derivatives from time to time to manage market risk and gain investment exposure if the Investment Manager believes this to be in the best interests of Investors.

Exchange traded derivatives may be employed to manage risk or gain exposure to investments when appropriate. The Fund can deal with exchange traded derivatives such as options (including options on futures), futures and/or warrants, to achieve its performance benchmark.

The use of derivatives will expose the Fund to certain risks. The Investment Manager does not intend to acquire a derivative if the total notional value of all derivatives would represent more than 5% of the Fund's NAV. Please see the Derivatives Risk explained in section 9 (*Risks of investing in the Fund*) for further information.

Risk management

The Responsible Entity has a risk management framework in accordance with its AFSL licence conditions.

The Responsible Entity also reviews the risk management framework of Monash Investors. The Monash Investors' framework includes monitoring of investments to manage the Fund's exposures within the asset class and market exposure limits of the Fund.

For more details on risks see section 9 (*Risks of investing in the Fund*).

Valuation

The Administrator calculates the NAV each Business Day as at the close of trading on the previous ASX Trading Day. The NAV is calculated as the value of all assets of the Fund less all liabilities of the Fund (including unpaid distributions and accrued but unpaid fees but excluding application money in respect of applications that have not been accepted by the Responsible Entity).

The NAV per Unit is calculated by dividing the NAV by the number of Units on issue. The NAV per Unit will be published each Business Day on the Fund's website at www.monashinvestors.com. It will fluctuate each day as the market value of the Fund's assets rises and falls.

The Responsible Entity has engaged the Calculation Agent to calculate an indicative NAV per Unit (**iNAV**) throughout each ASX Trading Day. The iNAV will be updated for securities that have live Market Prices during the ASX Trading Day. No assurance can be given that the iNAV will be published continuously or that it will be up to date or free from error. To the extent permitted by law, neither the Responsible Entity nor the Calculation Agent shall be liable to any person who relies on the iNAV.

The price at which Units trade on the ASX may not reflect either the NAV or the iNAV per Unit. See section 11 (*ASX Liquidity*) for more details.

Market making

To assist in providing liquidity for Units traded on the ASX, the Responsible Entity, on behalf of the Fund, has delegated authority to instruct the Market Making Agent to the Investment Manager to buy and sell Units on the ASX. The Responsible Entity has appointed Macquarie to act as its Market Making Agent with respect to the Fund.

At the end of each ASX Trading Day, the Responsible Entity will create or cancel Units by issuing or redeeming its net position in Units bought or sold on the ASX.

The price at which the Responsible Entity may buy or sell Units will reflect the iNAV per Unit, market conditions and supply and demand for Units during the ASX Trading Day.

The Fund will bear the risk of the market making activities undertaken by the Responsible Entity on the Fund's behalf, which may result in either a cost or benefit to the

Fund. The risks of market making are explained in section 9.

Any profits generated from internal market making activities will not be attributed towards the performance fee.

Distributions

The Responsible Entity intends to target a cash distribution of at least 1.50% of NAV each quarter. Distributions can be made more or less frequently at the Responsible Entity's discretion. You can reinvest your distribution automatically into the Fund if a distribution reinvestment plan is established by the Responsible Entity (refer to the *Distribution reinvestment plan* section below) or have it paid directly to your bank account. No fees or transaction costs will be payable in respect of distributions that are automatically reinvested.

When the total Fund distribution for a period has been determined, the distribution amount per Unit is calculated by dividing the total distribution by the number of Units on issue at the distribution date. We will send you a tax statement after the end of each financial year detailing the amounts attributed to you to assist in the preparation of your tax return.

An attribution of taxable income by the Fund to an Investor generally forms part of an Investor's assessable income and you will be liable to pay tax on that income. At the time of distribution, the value of each Unit will be reduced by the distribution amount.

The Responsible Entity intends to announce the cash distribution per Unit on the market announcements platform at the beginning of every quarter.

Distribution reinvestment plan

The Responsible Entity may establish a distribution reinvestment plan in respect of distributions made by the Fund. Investors can elect to have all or part of their cash distribution reinvested as additional Units, subject to the terms and conditions of the Fund's distribution reinvestment plan.

Investors who are holders of unquoted Units that opt-in for the Fund's distribution reinvestment plan can receive additional fractional Units. These additional fractional Units are not available to Investors who are holders of quoted Units that opt-in for the Fund's distribution reinvestment plan and any fractional entitlement will be rounded to the nearest whole Unit of such Investors and will become part of the assets of the Fund.

Identification documentation may be needed before Units are issued following a conversion of a Unit holding from a CHESS to an SRN holding on the issuer sponsored sub register.

Information about the Fund's distribution reinvestment plan will be made available on the Fund's website at www.monashinvestors.com shortly following commencement of trading of the Units on the ASX. The distribution reinvestment plan may be subject to change from time to time.

Regular reporting

Monthly updates

The following information will be provided to Investors on a monthly basis and will be available on the Fund's website:

- current NAV of the Fund and the Application Price and Withdrawal Price of a Unit;
- periodic transaction statements; and
- net return on the Fund's assets after fees, costs and taxes.

Any ongoing disclosure of material changes and significant events will be announced on the ASX announcements platform.

Annual reporting

As soon as practicable after the end of the relevant period or on an annual basis, we will provide:

- actual allocation to each asset type;
- liquidity profile of the Fund's assets;
- maturity profile of any liabilities;
- the Fund's leverage ratio (including leverage embedded in the assets of the Fund, other than quoted equities);
- details of any derivative counterparties engaged;
- monthly or annual investment returns since inception;

- account balance and transaction information as at the end of the reporting period;
- periodic transaction statements;
- distribution information;
- attribution managed investment trust member annual statement (AMMA Statement);
- annual tax statement; and
- attribution managed investment trust (AMIT) distribution statement.

Additionally, audited financial statements of the Fund are issued annually for each year and reviewed financial statements for each half year, ending 30 June and 31 December respectively. They will be prepared in accordance with accounting standards applicable to general financial statements in Australia to the extent that the Fund is required to comply with those standards by the Corporations Act or under the Constitution. The audited financial statements are made available to Investors online at www.monashinvestors.com.

Investors buying or selling Units on the ASX will receive transaction confirmations from the stockbroker.

Labour standards, environmental, social and ethical considerations

Whilst Perpetual and Monash Investors intend to conduct their affairs in an ethical and sound manner, the Investment Manager does not take into account labour standards, environmental, social or ethical considerations for the purpose of selecting, retaining or realising any investment made by the Fund.

8. Benefits of investing in the Fund

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

Market access:

- the Fund provides exposure to the Australian share market with an Absolute Return Focus; and
- Investors will have access to an investment strategy that would ordinarily be difficult for individual Investors to employ.

Investment Manager's expertise:

- Monash Investors has been successfully using its trading strategies since its establishment (although past performance is not an indicator of future performance); and
- it employs investment management professionals with extensive experience in funds and investment portfolio management.

Independent oversight:

- Perpetual is an experienced provider of financial services;
- it conducts annual reviews of service providers; and
- as required by law, the Fund will be subject to annual independent financial and compliance audits.

Liquidity with ASX trading and CHESS settlement:

- Investors can trade the Units on the AQUA Market and benefit from CHESS settlement and reporting; and
- the Responsible Entity will undertake market making activities to facilitate a liquid market in Units.

Well-resourced and professional service providers:

- Administrator - Mainstream Fund Services Pty Limited;
- Prime Broker and Custodian - Morgan Stanley & Co International plc;
- Calculation Agent - ICE Data Services Australia Pty Limited; and
- Market Making Agent - Macquarie Securities (Australia) Limited.

Distributions:

- the Responsible Entity intends to target quarterly income distributions from the Fund of 1.5% or more of NAV, subject to available investment returns.

9. Risks of investing in the Fund

All investments carry some level of risk including possible delays in repayment and loss of income and principal invested. In investment terms, risk is the variability of returns over time and the potential loss of capital. Risk means it is not possible to predict the returns that an investment will achieve. Investment returns are not guaranteed and past performance is not an indicator of future performance.

Generally, the higher expected return of an investment, the higher the expected risk. Traditionally, quoted shares have generally been considered to be more volatile (will experience greater fluctuations in value) than fixed income, while fixed income has generally been more volatile than cash.

However, higher risk asset sectors such as shares have historically produced higher long term returns than fixed income.

The value of your investment will rise and fall in line with the changing value of the underlying investments. The table does not purport to cover or explain all the risks of investing in the Fund. Each investor has their own particular investment objectives, financial situation and particular needs. You should consult with your financial adviser before investing and from time to time, to ensure your investment is, and remains, appropriate to your needs.

The following table outlines the key risks of investing in the Fund.

Type of risk	Risk explained
AQUA Market risk	The liquidity of trading in the Units on the AQUA Market could be limited, which may impact an investor's ability to buy or sell Units. Investors will not be able to buy or sell Units during any period that ASX suspends trading of the Fund's Units. It is also possible that the price at which Units trade on the AQUA Market is materially different to the NAV per Unit or iNAV.
Market Making risk	<p>The Responsible Entity acts as market maker in the Units on behalf of the Fund and may provide liquidity to Investors on the ASX by acting as a buyer and seller of Units (once Units are quoted on the AQUA Market).</p> <p>There is a risk that the Responsible Entity may not always be able to make a market in times of uncertainty about the value of the Fund's portfolio due to the Responsible Entity's duty to act in the best interest of Investors and so may not be able to buy or sell Units on the ASX in such circumstances.</p> <p>The Fund will bear the risk of the market making activities undertaken by the Responsible Entity on the Fund's behalf which may result in a profit or loss to the Investors. There is a risk that the Fund could suffer a material cost as a result of the market making activities which may adversely affect the iNAV or NAV of the Fund and the value of Investors' holdings regardless of whether the Units were acquired on the ASX or directly from an application lodged with the Responsible Entity.</p> <p>To manage this risk the Responsible Entity can increase the spread at which it makes offers to buy and sell Units on the ASX through Macquarie in making a market for the Units. Subject to the AQUA Rules and ASX Operating Rules, the Responsible Entity can also limit or cease its market making activities for a period of time.</p> <p>The Responsible Entity may not always be able to make a market in times of uncertainty about the value of the product, due to the Responsible Entity's duty to act in the best interest of the Investors in the Fund.</p>
Market Making Agent risk	<p>The Responsible Entity has appointed Macquarie to provide services to the Responsible Entity with respect to its market making activities for the Fund.</p> <p>If Macquarie makes an error in the execution of market making activities or the Responsible Entity's settlement obligations, that might adversely impact on the value of the NAV and of Investors' Units.</p> <p>The Fund may enter into transactions to acquire or liquidate assets in anticipation of the Market Making Agent fulfilling its settlement processing obligations in a correct and timely manner. If Macquarie does not do so, the Fund could suffer loss.</p>
iNAV risk	The iNAV is indicative only and may not accurately reflect the true value of the underlying assets of the Fund.
Market making risk	The Fund may be subject to market making risk if there is a material variance between the Market Price for on-market acquisitions and the underlying NAV of the Fund.

Type of risk	Risk explained
Differences in entry and exit prices	<p>Investors may have different entry and exit prices depending on whether they transact on the ASX or make an application or withdrawal request directly to the Responsible Entity.</p> <p>The Market Price of a Unit traded on the ASX is determined in the secondary market by market participants. The difference, or spread, from the prevailing iNAV may represent a cost, or possible benefit, of an investment in the Fund. Where Units are bought and sold on the ASX, the price at which an investor buys or sells Units will generally include an allowance to cover transaction costs but will also reflect market conditions and supply and demand for Units during the ASX Trading Day. As such, the cost of the spread on the ASX may be different to the Buy Spread/Sell Spread taken into account for Investors who apply for, or withdraw, Units directly with the Responsible Entity.</p>
Market risk	<p>Certain events may have a general negative effect on the price of investments within a particular market. These events may include changes in economic, social, technological or political conditions, as well as market sentiment, the causes of which may include changes in governments or government policies, political unrest, wars, terrorism, pandemics and natural, nuclear and environmental disasters. The duration and potential impacts of such events can be highly unpredictable, which may give rise to increased and/or prolonged market volatility.</p>
Termination of the Fund or cessation of Unit quotation by ASX	<p>To allow for continued quotation of securities under the AQUA Rules certain requirements are imposed. There is a risk that the Fund will not be able to continue to meet these requirements in the future or that ASX may change the quotation requirements for Units. The Responsible Entity may also elect to terminate the Fund in the future, for example, if the Fund's objectives can no longer be achieved.</p>
Investment specific risk	<p>The Fund's investments involve a high degree of financial risk. Markets in which the Fund is anticipated to invest are subject to a high degree of volatility. There can be no assurance that the Fund's investment objectives will be realised or that Investors in the Fund will receive their capital back when exiting the Fund or any return on their investment.</p> <p>Certain investments by the Fund may be regarded as speculative in nature and involve increased levels of investment risk. An inherent part of a strategy is to identify securities which are undervalued (or, in the case of short positions, overvalued). Success in such a strategy necessarily depends upon the market eventually recognising the mispricing, which may not necessarily occur.</p>
Counterparty risk	<p>This is the risk that another party to a financial transaction (the counterparty) fails to meet its obligations. Counterparty risk arises primarily from transactions involving lending arrangements entered into by the Fund, and substantial losses can be incurred. Monash Investors will seek to manage such risk by evaluating the creditworthiness of its counterparties and dealing within approved credit limits.</p>
Derivatives risk	<p>From time to time, the Fund may also borrow cash or use exchange traded derivatives to amplify the exposure to a certain asset or asset class. If the Fund does this, it will only do it within the limits outlined in the investment guidelines.</p>
Investment Manager risk	<p>Although the Responsible Entity has the ultimate authority for the management of the Fund, all the decisions relating to the investment of the Fund's assets have been outsourced to Monash Investors. The Fund's trading is dependent on the continuation of the services and skills of Monash Investors' officers and employees. The loss of Monash Investors' services (or that of one or more of its key personnel) could materially and negatively impact the value of the Fund as it may lead to the loss of the use of any proprietary investment methodology developed by Monash Investors. There is also a risk with any managed fund that the investment manager will not perform as expected.</p>
Leverage risk	<p>Leverage occurs when the investment exposure to investments exceeds the value of the NAV, and can magnify both the gains and losses. A leveraged fund has a higher investment risk than a comparable unleveraged fund and investors should expect larger variations in returns (both positive and negative). The Fund primarily employs short selling to increase its gross exposure to the market. Please also refer to risks pertaining to short selling below.</p> <p>From time to time, the Fund may also borrow cash or use derivatives to amplify the exposure to a certain asset or asset class. If the Fund does this, it will only do it within the limits outlined in the investment guidelines.</p>
Short selling risk	<p>Short selling involves a higher level of risk than buying a security. This is because when a security is bought, the maximum loss is limited to the amount invested. With short selling, there is no limit on the maximum loss because there is no upper limit on a security's price (which is the price at which the Fund will need to repurchase a given security that has been sold). Unless action is taken, losses will continue to increase as the security's price rises.</p>

Type of risk	Risk explained
	<p data-bbox="405 241 1409 300">Borrowed securities may also be unexpectedly recalled at a time when they cannot be bought back without substantial losses being incurred.</p> <p data-bbox="405 327 1409 385">Where short-selling is employed, risks are managed by applying the following principals to preserve capital:</p> <ul data-bbox="405 412 1409 555" style="list-style-type: none"><li data-bbox="405 412 1409 465">• setting price targets and soft stop loss levels, such that the position is reviewed if there is a price movement more adverse than 10%;<li data-bbox="405 468 1409 521">• limiting the weight of short exposures to the weight of the long holding they are paired against, or if it is not a pair trade, to half the weight of comparable long stocks; and<li data-bbox="405 524 1409 555">• diversifying within the portfolio for stocks, sectors and investment themes.

10. Fees and other 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 account 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 investor 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.

Fees and other costs

This section shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the assets of the Fund as a whole.

Taxes are set out in another part of this PDS.

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

If you are an indirect investor (for example because you are investing through an IDPS), any additional fees that you may be charged by your service operator for investing in the Fund via their service will be set out in your service operator's disclosure document.

Fees and costs summary

Monash Absolute Active Trust (Hedge Fund)		
TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
Ongoing annual fees and costs		
Management fees and costs The fees and costs for managing your investment ¹	2.2603% per annum of NAV ²	Management fees, which are expressed as a percentage of the NAV, are calculated and accrued daily and generally paid to Monash Investors monthly in arrears. They are deducted directly from the Fund's assets and reflected in its Unit price. You may be able to negotiate the management fee with us.
Performance fees Amounts deducted from your investment in relation to performance of the product	1.47% per annum of NAV ³	The performance fee is calculated daily and accrued daily based on the NAV (before performance fee) and is crystallised and paid on a quarterly basis (if applicable).
Transaction Costs The costs incurred by the Fund	0.55% per annum of NAV	All Transactions Costs are paid out of the Fund's assets and reflected

¹ These fees may be individually negotiated if you are a wholesale client (as defined in the Corporations Act). Management fees and costs reduce the NAV of the Fund and are reflected in the Unit price. Management costs and expenses are comprised of costs for administering and investing in the assets of the Fund and other expenses and reimbursement in relation to the Fund which are variable. For more information on the management fee and costs, please refer to "Management fees and costs" in the "Additional Explanation of Fees and Costs" section below.

² Inclusive of Goods and Services Tax (GST) net of any input tax credits.

³ Inclusive of Goods and Services Tax (GST) net of any input tax credits. The estimated performance fee is based on a reasonable estimate of the performance fee for the Fund. The estimate is based on the 5 year average of the performance of a fund with similar underlying assets and similar investment strategy managed by Monash Investors. Past performance is not an indicator of future performance, and estimates can change. For more information on how the performance fee is calculated, please refer to "Performance fees" in the "Additional Explanation of Fees and Costs" section below.

when buying or selling assets

in its NAV per Unit. This amount represents **net** Transactions Costs borne by all Investors after any Buy/Sell Spread recoveries charged on Investor-initiated transactions (see 'Buy/Sell Spread' in the table below).

Investor activity related fees and costs (fees for services or when your money moves in or out of the Fund)⁴

Establishment fee The fee to open your investment	Nil	Not applicable.
Contribution fee The fee on each amount contributed to your investment	Nil	Not applicable.
Buy Spread/ Sell Spread An amount deducted from your investment representing costs incurred in transactions by the Fund	0.30% upon entry and 0.30% upon exit when buying and selling Units directly with the Responsible Entity.	Estimated Buy Spread/Sell Spread are allocated when an Investor buys or sells Units by incorporating a Buy Spread/Sell Spread between the Fund's Application Price and Withdrawal Price, where appropriate.
Withdrawal fee The fee on each amount you take out of your investment	Nil	Not applicable.
Exit fee The fee to close your investment	Nil	Not applicable.
Switching fee The fee for changing investment options	Nil	Not applicable.

Example of annual fees and costs for the Fund

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

Example for an investment in the Monash Absolute Active Trust		BALANCE OF \$50,000 ⁶ WITH A CONTRIBUTION OF \$5,000 DURING THE YEAR
Contribution Fees	Nil.	For every additional \$5,000 you put in, you will be charged \$0.00 .
PLUS Management fees and costs	2.2603% p.a. of NAV ⁷	And , for every \$50,000 you have in the Fund you will be charged or have deducted from your investment \$1,130.15 in management fees and costs each year.
PLUS Performance fees	1.47% p.a of NAV ⁸	And , you will be charged or have deducted from your investment \$735.00 in performance fees each year.
PLUS Transaction costs	0.55% p.a of NAV	And , you will be charged or have deducted from your investment \$275.00 in transaction costs.
EQUALS Cost of the Fund		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 \$2,140.15 . What it costs you will depend on the fees you negotiate.

⁶ We have assumed a constant value of \$50,000 for the whole year.

⁷ The figure used for the management fees and costs in the example above reflects the Responsible Entity's reasonable estimate at the time of this PDS of the typical ongoing amounts.

⁸ This is an estimate only, please refer to "Performance fees" in the "Additional Explanation of Fees and Costs" section below for more detail.

All fees and costs in the table above include Goods and Services Tax (GST) net of any input tax credits.

Additional explanation of fees and costs

Management fees and costs

Management fees

The Fund pays a management fee of 1.3833% per annum (**p.a.**) of the Fund's NAV (before fees) to Monash Investors. The management fee is calculated daily and is payable monthly in arrears. You will not be charged directly for the management fee as this will be paid out the Fund and reflect in the value of the Unit price. Monash Investors may pass some or all of its management fee to the Responsible Entity.

Differential fees

We may negotiate a rebate of all or part of our management fee with wholesale clients (as defined by the Corporations Act). The payment and terms of rebates or waivers are negotiated with wholesale clients but are ultimately at our discretion, subject to the Corporations Act and ASIC policy.

Management costs

Management costs may include:

- any operating expenses which are not paid out of our management fees (see 'Operating expenses below'); and
- other indirect management costs.

Operating expenses

We are entitled to charge to the Fund or be reimbursed from the Fund for any expenses incurred in the proper performance of our duties and obligations relating to the management and administration of the Fund. These costs may include items such as legal, audit, tax, registry, ASIC, ASX, administration (including iNAV), service provider fees, custody, market making and expenses for publishing this PDS.

There is no limit in the Constitution on the amount that can be recovered for expenses that are reasonably and properly incurred.

Abnormal operating expenses

Abnormal operating expenses are not generally incurred during the day-to-day operation of a Fund and are not necessarily incurred in any given year. They are due to abnormal events like the cost of running an Investor meeting, or legal costs incurred by changes in the Constitution. The Constitution allows the Responsible Entity to charge these abnormal operating expenses as a cost that is additional to our management fees for the relevant year. We may charge these

abnormal operating expenses incurred in any year without notice to Investors.

Other indirect management costs

As at the date of this PDS, the Fund does not currently expect to incur indirect costs.

Transaction Costs

In managing the investments of the Fund, Transaction Costs such as brokerage, settlement costs and clearing costs may be incurred in the Fund's investment portfolio, or when the Fund experiences cash flows in or out of it.

When the Fund incurs Transaction Costs from changing its investment portfolio, they are paid out of the Fund's assets and reflected in its Unit price.

Estimated Transaction Costs that are incurred because Investors buy or sell Units are also paid from the Fund's assets, but they are recovered from those transacting Investors by the Buy Spread/Sell Spread allowances that are included in the calculation of the Fund's Application Price or Withdrawal Price, where relevant, as described under 'Buy/Sell Spread' in this section 10.

Net Transaction Costs after any Buy Spread/Sell Spread recoveries charged on Investor-initiated transactions, as shown in the 'Fees and costs summary' table in this section 10, are a cost to all Investors in the Fund.

Transaction Costs may vary from year to year without notice to Investors.

The ongoing annual transaction cost information for the Fund based on the most recently completed financial year is publicly available at our website (see www.monashinvestors.com) or can be obtained free of charge by contacting us:

- estimated total gross Transaction Costs;
- estimated Transaction Costs recovered by the Buy Spread/Sell Spread on Investor-initiated transactions; and
- estimated net Transaction Costs borne by all Investors (the estimated percentage by which the Fund's investment return has been reduced by Transaction Costs not recovered by Buy Spreads/Sell Spreads).

The Responsible Entity's reasonable estimate of gross Transaction Costs incurred by the Fund at the time this PDS was issued is 0.82% p.a. of the NAV of the Fund.

Investor activity related fees and costs

Buy/Sell Spread

Estimated Transaction Costs are allocated when an Investor buys or sells Units in the Fund by incorporating a Buy Spread/Sell Spread between the Fund's Application Price and Withdrawal Price, where appropriate. This aims to ensure that other Investors are not impacted by the Transaction Costs associated with a particular Investor buying or selling Units in the Fund. We have discretion to waive the Buy Spread/Sell

Estimated Transaction Costs, which are used to determine the Buy Spread/Sell Spread, are reviewed regularly. Consequently, the Buy Spread/Sell Spread current as at the date of this PDS, as shown in the 'Fees and costs summary' table in this section 10, may change (increase or decrease) during the life of this PDS.

The current Buy/Sell Spread for the Fund at any time (as amended) is publicly available at our website (see www.monashinvestors.com) or can be obtained free of charge by contacting us.

GST is not applicable to any Buy Spread/Sell Spread when you buy or sell Units in the Fund.

At the time of issue of this PDS, the estimated Transaction Costs recovered from the Buy Spread / Sell Spread is 0.27% p.a.

Performance fee

A performance fee is payable to Monash Investors quarterly when the NAV per Unit, before performance fees, is above the High Water Mark subject to a Hurdle. The Hurdle is the RBA Cash Rate + 5%.

The performance fee is calculated daily and accrued daily based on the NAV (before performance fee) and is crystallised and paid on a quarterly basis. Performance fees are paid where applicable from Withdrawals through the financial year using a pro-rata calculation.

The performance fee per Unit is 20.5% p.a. of the amount by which the NAV per Unit exceeds the High Water Mark and the Fund achieves the hurdle.

This means that Monash Investors is only entitled to charge a performance fee if the investment performance has exceeded the return of the RBA Cash Rate plus 5%. Generally, the greater the investment performance of the NAV, the greater the performance fee and therefore the greater the overall management costs for the Fund. The actual performance fee payable (if any) will depend on the performance of the Fund over the relevant period.

Where the daily calculated performance fee is negative, it is applied to reduce any accrued performance fee from the previous day, or, where

Spread on applications or withdrawals where no Transaction Costs are incurred.

A Buy Spread/Sell Spread is an additional cost to you and will impact the return on your investment. The spread, if applicable, is based on our estimates of the average Transaction Costs incurred by the Fund. However, it is not a fee paid to us and is retained in the Fund to cover the actual Transaction Costs as they are incurred.

there is no accrued performance fee from the previous day, carried forward as a 'Performance Deficit'. Any Performance Deficit will need to be offset by future positive performance fees and before any performance fee becomes payable. This means that the Fund must make up any under-performance (in dollar terms) from previous periods before a performance fee can be accrued and reflected in the Unit price. This is referred to as a High Water-Mark.

Differences between the Buy/Sell Spread (when dealing with the Responsible Entity off-market) and Transaction Costs when trading on-market

The price at which Investors buy and sell Units on the ASX may vary from the prevailing iNAV. The Market Price of a Unit traded on the ASX is determined in the secondary market by market participants. The difference, or spread, from the prevailing iNAV may represent a cost, or possible benefit, of an investment in the Fund. Where Units in the Fund are bought and sold on the ASX, the price at which an Investor buys or sells Units will generally include an allowance to cover Transaction Costs but will also reflect market conditions and supply and demand for Units during the ASX Trading Day. As such, the cost of the spread on the ASX may be different to the cost of the 'Buy Spread' or 'Sell Spread' for Investors who apply or withdraw directly with the Responsible Entity.

Further information about fees and costs

Borrowing costs

If the Fund incurs any incidental borrowing costs for short-term operation purposes, these costs may be paid out of the Fund's assets and reflected in its Unit price. Any borrowing costs are additional to the management fees and costs shown in the 'Fees and costs summary' table in this section 10.

Miscellaneous fees

If we incur a fee because a cheque or direct debit for your investment in the Fund is dishonoured by your financial institution, the amount will be charged to your investment.

Maximum fees and charges

The Constitution of the Fund permits higher fees to be charged as well as other fees which are not currently levied. The maximum management fee that may be paid by the Fund under the Constitution is 4% of the gross asset value of the Fund per annum. We will give Investors 30 days written notice in advance of any increase in fees and costs charged by the Fund.

All estimates of fees in this section are based on information available as at the date of this PDS.

Increases or alterations to our fees

We may change our fees without your consent. However, we won't increase our management fees, or introduce any new fees, without giving you or your service operator (as applicable) at least 30-days' written notice.

Management costs and transaction costs may vary each year without notice.

Can we charge fees not currently levied?

The Fund's Constitution provides that we can charge the following fees:

Fee	Description	Maximum Allowable
Entry fee	The fee on each amount contributed to your investment.	5% of the Application Price.
Exit fee	The fee on each amount you take out of your investment.	5% of the proceeds of redemption of the Unit.

At the date of this PDS, we do not charge these fees. If we introduce them, we will give Investors 30 days written notice in advance.

To find out more or to receive a copy of the Fund's Constitution, please contact the Responsible Entity.

Fees for indirect Investors

For Indirect Investors accessing the Fund through an IDPS, additional fees and costs may apply. These fees and costs are stated in the offer document provided by the relevant IDPS operator.

Tax

Tax information, including GST, is set out in section 13. Unless otherwise stated, all fees and

other costs disclosed in this PDS are inclusive of the net effect of GST.

Market making agent cost

Macquarie has been appointed as the Market Making Agent by the Responsible Entity to execute its market making activities to provide liquidity for the Units on the AQUA Market and also to facilitate settlement. Macquarie will earn a fee as a result of these activities. This fee will be payable out of the Fund assets and will be subject to GST.

Brokerage fees for Investors

Investors are likely to incur brokerage fees and charges from their stockbroker when buying and selling Units in the Fund via the AQUA Market. Investors should consult their stockbroker for more information in relation to their fees and charges.

Commissions and soft dollar payments

The Responsible Entity and Monash Investors do not pay any fees or commissions to your financial adviser. However, your adviser may charge you certain fees for the services they provide to you. No commissions are paid to any intermediaries.

Other benefits

As a result of your investment in the Fund your intermediary may receive other non-monetary benefits (where allowed by law), which are not an additional cost to you.

Platform administration payments

We may make payments to platform providers for administrative services associated with distributing our Fund on their investment menu (where allowed by law). These payments may help them recover their costs incurred in establishing our Fund on their menu and certain other marketing and distribution costs. If these payments are made, they are not paid by you or the Fund, but rather they are paid by the Investment Manager.

Benefits received

As a result of brokerage paid by the Fund, we may receive benefits such as investment research, which we may use for any investment purpose, including for the Fund.

11. Buying and selling Units on the ASX

Buying Units on the ASX

Once the Units are quoted on the AQUA Market, Investors can invest in the Fund by purchasing Units via their stockbroker. Investors do not need to complete an Application Form and they will settle the purchase of their Units in the same way they would settle purchases of listed via the ASX CHESS settlement service. Trading occurs between the hours of 10.00am and 4.00pm on ASX Trading Days. Settlement of the purchase will occur 2 Business Days after the on-market purchase (T+2).

The minimum number of Units applicable to Investors who buy Units on the ASX will depend upon your stockbroker. It is common for stockbrokers to require that an initial purchase of any particular securities must be for least \$500, known as a "minimum marketable parcel of securities" and to allow further acquisitions provided that no fractions may be acquired. An investor's entry price into the Fund will be the price at which they have purchased Units on the ASX.

Consistent with securities quoted on the ASX, Investors do not have cooling-off rights in respect of Units purchased on the ASX under the AQUA Rules.

Selling your Units on the ASX

Investors who have bought their Units on the ASX can withdraw from the Fund by selling Units on the ASX via their stockbroker. Investors who sell Units on the ASX do not need to complete a Withdrawal Form and they will receive the proceeds from the sale of their Units in the same way they would receive proceeds from the sale of listed securities via the ASX CHESS settlement service. Settlement of the sale will occur 2 Business Days after the on-market sale (T+2).

There is no minimum number of Units Investors can sell on the ASX. An Investor's exit price will be the price at which they have sold Units on the ASX.

ASX liquidity

Investors can buy Units from other investors in the secondary market in the same way as ASX listed securities. Investors who have bought Units on the ASX can sell these Units to other investors in the secondary market.

The Responsible Entity, on behalf of the Fund, may provide liquidity to Investors on the ASX by acting as a buyer and seller of Units. At the end of each Business Day, the Responsible Entity will create or cancel Units by applying for or redeeming its net position in Units bought or sold on the ASX. The Responsible Entity has appointed Macquarie, a market participant, to act as the Market Making Agent to transact and facilitate settlement of trades in Units on its behalf.

The price at which the Responsible Entity may buy or sell Units will reflect the Responsible Entity's view of NAV per Unit (as referenced by the iNAV), market conditions and supply and demand for Units during the ASX Trading Day. The Fund will bear the risk of the market making activities undertaken by the Responsible Entity on the Fund's behalf, which may result in either a cost or a benefit to the Fund. The risks of market making are explained in section 9.

12. Investing in the Fund directly with the Responsible Entity

Investors can invest in the Fund by buying Units on the ASX or by applying for Units directly to the Responsible Entity by completing an Application Form.

The method by which you invest in the Fund does not affect the method by which you can exit the Fund. If you invest in the Fund by buying Units on the ASX, you can exit the Fund by selling Units on the ASX or by making a withdrawal request directly with the Responsible Entity. If you invest in the Fund by applying for Units directly with the Responsible Entity you can exit the Fund by selling Units on the ASX or by making a withdrawal request directly with the Responsible Entity. There are differences between buying and selling Units on the ASX and applying for Units or making a withdrawal request to the Responsible Entity. The Summary comparison - transacting on the ASX or directly with the Responsible Entity table in section 3 sets out these key differences. For more information on buying and selling Units on the ASX see sections 3 and 11.

Applying directly to the Responsible Entity

You can make an investment in the Fund by sending a correctly completed Application Form together with the required supporting identification documentation to the Unit Registry. Once accepted, the entry price for an Investor who applies directly to the Responsible Entity for Units in the Fund will be calculated using the NAV per Unit, which will include an allowance for transactions costs incurred by the Fund. The minimum initial investment is \$10,000. Additional investments can be made into an existing account at any time. No minimum amount applies to additional investments made by BPAY®. The minimum amount for an additional investment made using electronic funds transfer (EFT) or cheque is \$5,000.

We may accept initial and additional investment applications for smaller amounts at our discretion. The processing of applications for lower amounts may be delayed while approval is sought for the lower application amount. We may also reject applications at our discretion.

If you invest into the Fund indirectly through an IDPS, the minimum amount will be determined by the operator of the IDPS and may be higher or lower than if you invest in the Fund directly.

How we process transactions

We will process your application when we have received:

- your completed Application Form, including any required identification documentation; and
- your cleared application monies into the Fund's application bank account.

If we accept your application and receive your correctly completed Application Form by 2.00pm (Sydney time) on a Business Day, identification documents (if required) and your cleared funds by close of business on the same Business Day, your entry price will be the unit price calculated on that Business Day. We will generally issue Units to you the following Business Day. Otherwise we will issue Units to you using the entry price applicable to the Business Day on which we receive your completed documentation and cleared monies, subject to the applicable cut-off times.

If you invest by cheque or request us to process a direct debit, it may take up to three Business Days (in the case of a cheque) and up to four Business Days (in the case of a direct debit) for your application monies to clear from the date we bank the cheque or issue a direct debit request to your bank. If we receive your cheque or direct debit request before 2.00pm (Sydney time) on a Business Day we will action these on the day we receive them. If they are received after 2.00pm (Sydney time) on a Business Day we will action them the following Business Day. We will not issue Units until your application monies have cleared.

For applications made by BPAY® (available for additional applications only), we will not issue Units until we receive the money from your nominated financial institution. This generally means there will be a delay between the day you initiate a BPAY® transaction and the day the Units are issued. You will need to quote the Fund's Biller Code 349936 and your unique reference number. Refer to your last transaction confirmation or contact the Unit Registry to obtain your unique reference number.

If your cheque, direct debit, BPAY® or EFT is dishonoured by your financial institution, we will not process your application. We will not represent a dishonoured payment unless you first contact us to discuss your application. We may deduct any fees incurred as a result of the dishonoured payment from your application amount before we issue you with Units.

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Completing the Application Form

The Application Form is available from the Fund's website at www.monashinvestors.com.

The Application Form details the identification documentation that we are required by law to collect from you before we can issue Units to you.

Please mail the completed original of the Application Form, together with certified copies of the requested identification documentation, to our Unit Registry. The Unit Registry's postal address appears on the front of this PDS and on the Application Form.

Please note that legislative requirements mean that we may not be able to accept an Application Form for an initial investment by fax or email. However, we may accept applications by other electronic means.

Additional investments

If you hold Units on the issuer sponsored sub-register, you can follow the steps below to add to your existing investment using BPAY® without the need to complete any forms. BPAY® provides you with the flexibility to make regular recurring additional investments at the frequency and amount of your choosing. There is no minimum investment amount for additional investments made using BPAY®.

- Using your bank account's BPAY® function, nominate Monash Absolute Active Trust as a Biller. The Biller Code is 349936 • Enter your unique customer reference number (CRN) that can be found in your last transaction confirmation. Please note that this is different from your investor number or SRN. Please contact the Unit Registry if you require confirmation of your CRN. We will use the CRN to allocate the additional investment to your account.

- Enter the amount of your additional investment. Note that your financial institution will generally allow a recurring BPAY® payment to be set up if you would like to make regular additional investments.

- Save a copy of your BPAY® payment receipt as proof of payment. The Unit Registry will send you a transaction confirmation once Units have been issued to you.

Please note that even though your BPAY® transaction is processed from your bank account immediately, your funds may take some time to be transferred to the Fund from your financial institution. Units will be issued only when we receive your funds and will be issued at the entry unit price applicable to the day payment is received.

For additional investments made by EFT or cheque, a minimum investment amount of \$5,000 applies. You will need to notify our Unit Registry by email, fax or mail using the Application Form or otherwise in writing indicating:

- your account name;
- your account/investor number or SRN;
- the name of the Fund;
- the amount of additional monies you are investing; and
- the method of payment.

If you purchased your Units on the ASX you will be required to supply certain identification documentation to our Unit Registry before you can make additional investments.

Payment of your application monies

We can accept payment of your application monies in Australian dollars by cheque, direct debit (initial applications only), BPAY® (additional applications only) or EFT.

Instructions for making additional investments using BPAY® are set out in the above section entitled Additional investments.

If you wish to pay by cheque, please make your cheque payable to "The Trust Company (RE Services) Limited ATF Monash Absolute Active Trust" and mail the cheque with your Application Form. EFT payments can be made directly to the Fund's application bank account. The Fund's bank account details are as follows:

BSB	082 401
Account Number	26 728 1104
Account Name	The Trust Company (RE Services) Limited ATF Monash Absolute Active Trust

Please include the name of the account under which you are investing in the reference field of your EFT payment to assist us to match your monies against your Application Form.

Any interest earned on the Fund's bank account is retained by the Responsible Entity.

Withdrawing directly from the Fund

If you hold your Units on the Fund's issuer sponsored sub-register then, subject to the Constitution, the Corporations Act and the AQUA Rules, you can apply directly to the Responsible Entity to withdraw some or all of your investment at any time. No minimums apply to withdrawal requests and there is no minimum account balance. To withdraw some or all of your investment, please send a correctly completed Withdrawal Form to our Unit Registry. You can request a specified dollar amount to be withdrawn, a specified number of Units to be withdrawn, or a full redemption of your investment in the Fund. The exit price for an investor who withdraws directly from the Fund will be the NAV per Unit less an allowance for transaction costs incurred by the Fund. On the Withdrawal Form you will be required to provide your Securityholder Reference Number (SRN) or your investor number.

If you hold your Units via a stockbroker (and your Units are associated with a Holder Identification Number (HIN)), then you hold your Units on the CHESS sponsored sub-register. If you want to withdraw directly from the Fund, you will first need to submit a request to your stockbroker to have your Units converted to an issuer-sponsored holding so that an SRN can be allocated to you by the Unit Registry. The process of converting your broker-sponsored holding to an issuer-sponsored holding is managed by your stockbroker and is subject to their standard processing times. Please contact your stockbroker for further information.

We will accept withdrawal requests via fax, email or mail, except if you are required to provide identification documentation in connection with your Withdrawal Form, in which case we will only accept your request via mail. If you purchased your Units on the ASX, you will be required to supply certain identification documentation as part of your correctly completed Withdrawal Form. All instructions to withdraw should be signed by the nominated authorised signatory or signatories. Under some circumstances, we may need to contact you to request further documentation to confirm the validity of your instruction. This may delay processing of the withdrawal request.

If we receive your correctly completed Withdrawal Form before 2.00pm (Sydney time) on a Business Day on which your Units are held on the Fund's issuer-sponsored sub-register, we will calculate the amount of your withdrawal using the exit price applicable to that Business Day. If we receive your withdrawal request after 2.00pm (Sydney time) on a Business Day on which your Units are held on the Fund's issuer sponsored sub-register, we will use the following Business Day's exit price.

Under the Constitution, the Responsible Entity may set a minimum account balance. If a minimum account balance applies and your withdrawal request results in your remaining investment in the Fund held on the issuer sponsored sub-register falling below the minimum account balance, we may require you to withdraw your entire balance held on the issuer sponsored sub-register. As at the date of this PDS the Responsible Entity has determined that there is no minimum number of Units applicable to either the sale of Units on the ASX or withdrawal of Units directly with the Responsible Entity.

Payment of your redemption proceeds

You can usually expect to receive payment into your nominated bank account within 7 Business Days after our receipt and acceptance of your Withdrawal Form. However, during July of each year, or at any other time when the Fund is processing a distribution, payment of your withdrawal may be delayed by up to 15 Business Days. There may be other circumstances, such as a freeze on withdrawals or where the Fund is not a Liquid Scheme (as defined under the Corporations Act), where your ability to withdraw from the Fund is restricted and you may have to wait a period of time before you can withdraw some or all of your investment.

We can only pay redemption proceeds to an Australian bank account held in the name of the Investor. We are unable to pay redemption proceeds to a third party bank account. Normally we will pay redemption proceeds to the bank account you nominated on your Application Form when you opened your investment, or if you purchased your Units on the ASX and submit a withdrawal request to the Responsible Entity, the bank account nominated on your Withdrawal Form, or if you have subsequently written to us to change your nominated account, we will pay proceeds to that account.

We will send you a confirmation of your redemption once it has been processed and paid.

Indirect investors

We authorise the use of this PDS as disclosure to persons who wish to access the Fund indirectly through an IDPS.

Indirect investors do not become registered Investors in the Fund, nor do they acquire the rights of a registered Investor. Instead, as the IDPS operator is investing on your behalf, it acquires the rights of Investors. In most cases, references to 'you' or 'your' in this PDS (for example, receiving distribution income, reinvestment distribution income and redemptions) is a reference to the IDPS operator and accordingly their arrangements with you will set out your rights. We do not keep personal information about indirect investors.

Further, some provisions of the Fund's Constitution will not be relevant to you. For example, you will generally not be able to attend meetings, or withdraw investments directly. You will receive reports from the IDPS operator, not us. The IDPS operator can exercise (or decline to exercise) those rights in accordance with the arrangements governing the operation of the IDPS.

Enquiries about the Fund should be directed to your licensed financial adviser or IDPS operator. Contact details: Mail: Mainstream Fund Services — Unit Registry GPO Box 4968 Sydney NSW 2001 Email: registry@mainstreamgroup.com Fax: +61 2 2 9251 3525 Phone: 1300 133 451 or +61 2 8259 8888.

Suspension of withdrawals

The Responsible Entity may suspend the withdrawal or issue of Units in the Fund including where:

- it is impractical for us, or we are unable, to calculate the NAV of the Fund, for example, because of financial market disruptions or closures;
- where withdrawal would cause us to breach any law, regulation or obligation under which we operate;
- quotation of the Units on the AQUA Market is suspended, halted or revoked or the approval of the Responsible Entity as an AQUA Product Issuer is suspended or revoked;
- the Fund's investments are suspended, delayed or there is a restriction on the withdrawal, issue or payment of withdrawal proceeds, or the issuer of the investment is unable to provide a withdrawal price;
- the realisation of assets cannot be effected at prices which would be obtained if assets were realised in an orderly fashion over a reasonable period in a stable market;
- we reasonably estimate that we must sell 5% or more (by value) of all assets to meet current unmet withdrawal requests;
- there have been, or we anticipate that there will be, withdrawal requests that involve realising a significant amount of the assets and we consider that if those withdrawal requests are all met immediately, Investors who continue to hold Units may bear a disproportionate burden of capital gains tax or other expenses, or the meeting of those withdrawal requests would otherwise be to the existing Investors disadvantage;
- we reasonably consider it would be in the interests of Investors; or
- it is allowed by any form of ASIC relief or it is otherwise legally permitted.

The Responsible Entity may also suspend applications for, or withdrawals of, Units or the calculation of application or withdrawal prices in certain circumstances set out in the Constitution where we consider that it is desirable for the protection of the Fund, or in the interests of Investors where:

- any relevant financial, stock, bond, note, derivative or foreign exchange market is closed;
- trading on any such market is restricted;
- an emergency exists as a result of which it is not reasonably practicable to acquire or dispose of assets of the Fund or to determine fairly the application price or withdrawal price;
- any state of affairs exist as a result of which it is not reasonably practicable for us to acquire or dispose of the assets of the Fund or to determine fairly the application price or withdrawal price; or
- any moratorium declared by a government or the competent authority or regulator of any country in which a significant proportion of the Fund is invested exists.

In some circumstances, including, but not limited to, a suspension of withdrawals of Units, you may not be able to make additional investments into the Fund or withdraw your Units within the usual period upon request. We may, in certain circumstances, delay or stagger the settlement of large withdrawal requests.

Withdrawal procedures if the Fund is not a Liquid Scheme

The withdrawal process, including the calculation of the NAV per Unit, applies only when the Fund is a Liquid Scheme (within the meaning given to that term in the Corporations Act). Where the Fund ceases to be a Liquid Scheme, Units may only be withdrawn pursuant to a withdrawal offer made by the Responsible Entity to all Investors in the Fund in accordance with the Constitution and the Corporations Act. We are not obliged to make such offers. If the Fund ceases to be a Liquid Scheme and there is no withdrawal offer open, an Investor has no right to redeem Units.

Transfer of Units

Your stockbroker will initiate the conversion or transfer of Units in the following scenarios:

- You hold Units directly with the Fund (SRN holding on the issuer sponsored sub-register) and wish to convert or transfer your Units to an account with a stockbroker (HIN holding on the CHESS sub-register). You will need to provide your stockbroker with your SRN. You can only convert or transfer whole Units and any partial unit holding remaining after the conversion or transfer will be cancelled and become property of the Fund.
- You hold Units in an account with your stockbroker (HIN holding on the CHESS sub-register) and wish to transfer your Units to another HIN or to transfer or convert your Units to an account directly with the Fund (SRN holding on the issuer sponsored sub register).

The Unit Registry handles transfers of Units for Investors who hold Units directly with the Fund (SRN holding on the issuer sponsored sub-register) and wish to transfer to another existing account or a new account directly with the Fund. We require original copies of standard transfer forms to be mailed to us. We are unable to process transfer forms that are faxed, emailed or photocopied.

13. Taxation

There are tax implications when investing in the Fund. The Responsible Entity cannot give tax advice and we recommend that you consult your professional tax adviser as the tax implications for the Fund can impact Investors differently. Below is a general outline of some key tax considerations for Australian resident individual Investors who hold their Units in the Fund on capital account and these considerations are provided on the basis that the Fund is an Attribution Managed Investment Trust (AMIT). This information is based on our current interpretation of the relevant taxation laws as at the date of this PDS and these laws may be subject to change. As such, Investors should not place reliance on this as a basis for making their decision as to whether to invest.

Income earned by the Fund, whether distributed or reinvested, can form part of the assessable income of Investors in the year the Fund earns the income or a different year.

After the end of the Fund's tax year we will send to you the details of assessable income (including capital gains), tax offsets, cost base adjustments in relation to your Units and any other relevant tax information to include in your tax return.

The Fund will seek to pass on any benefits of franking credits in respect of franked dividends it receives. Investors will be required to include their share of dividend income and franking credits in their assessable income.

Tax position of the Fund

It is expected that the Fund will qualify to elect into the AMIT regime and that the Responsible Entity will make an election for the Fund to be an AMIT.

Where the Fund is an AMIT, it should generally not be liable to pay income tax where the Responsible Entity properly attributes all of the Fund's taxable income and tax offsets on a fair and reasonable basis in accordance with the Fund's constituent documents. It is the intention of the Responsible Entity to ensure that this is the case.

Investors that are attributed a share of the Fund's taxable income will be required to include in their assessable income a proportionate share of the taxable income of the Fund.

If the Fund were to incur a tax loss for a year then the Fund could not attribute that loss to Investors. However, subject to the Fund meeting certain conditions, the Fund may be able to recoup such a loss against taxable income of the Fund in subsequent income years.

Capital gains

Your assessable income for each year may include net capital gains (i.e. capital gains after offsetting capital losses and after applying the CGT discount). These capital gains may include:

- Capital gains attributed by the Fund (this will include capital gains derived by the Fund and may include capital gains streamed to you in the event of a redemption); and
- Capital gains on withdrawing Units from the Fund or selling Units in the Fund.

Resident individuals, trusts (conditions apply) and complying superannuation entities may be eligible to discount capital gains relating to the disposal of Units where they have held the Units for at least twelve (12) months.

If you have a net capital gain, this should be included in your assessable income. A net capital loss may be carried forward to offset against future capital gains but may not be offset against ordinary income.

Goods and services tax (GST)

The application for, and withdrawal or disposal of, Units in the Fund and the receipt of distributions will not be subject to GST. However, GST is payable on our fees and certain reimbursement of expenses. The Fund may be entitled to claim reduced input tax credits (RITCs) for GST paid in respect to some of these expenses. The benefit to Investors of any RITCs will be reflected in the Unit price.

An Investor may not be entitled to full input tax credits for GST paid on the acquisition of goods and services (for example, financial advisory services) relating to the issue of the Units and acquisition and/or subsequent sale of Units. Investors should obtain their own advice as to whether an input tax credit or reduced input tax credit is available for any GST amounts, as this will depend on the Investor's personal circumstances.

All amounts in this PDS are in Australian dollars. All fees are inclusive of goods and services tax (GST) and take into account reduced input tax credits (RITC), if applicable.

Eligible Managed Investment Trusts (MITs)

Capital Account Election

Current tax legislation allows the Responsible Entity to make an irrevocable election to apply the CGT provisions as the primary regime for taxation of gains and losses from the realisation certain assets, where the Fund is an eligible MIT. The Fund intends to make this election if it is eligible to do so.

Attribution Managed Investment Trust (AMIT) regime

The Fund intends to elect to become an AMIT. Accordingly, Investors will be subject to tax on the taxable income of the Fund that is attributed to them under the AMIT rules each year.

The Fund may also reinvest part or all of your distribution and/or accumulate part or all of the Fund's income, in which case the taxable income of the Fund that is attributed to you (and which must be included in

your income tax return) may be more than the total distribution you receive.

Investors will be required to include in their assessable income the taxable income of the Fund (including net capital gains generated by the Fund), that is attributed to them under the AMIT rules. Investors will receive a tax statement after the end of each financial year (referred to as an AMIT Member Annual Statement) that will provide them with details of the amounts that have been attributed to them by the Fund to assist them in the preparation of their tax return.

The AMIT Member Annual Statement will also contain a reasonable estimate of any cost base adjustments required to the Investor's Units. Investors should be required to adjust their cost base in the Units that they hold in the Fund where they:

- become entitled to cash distributions or are attributed tax offset amounts and the sum of these amounts exceeds the attribution of assessable income (including grossed-up net capital gains) and non-assessable non-exempt amounts to the relevant Investor - the Investor should be required to reduce their cost base in the Units to the extent of the excess or recognise a capital gain to the extent that the excess exceeds the Investor's cost base in the Units; or
- are attributed assessable income (including grossed-up net capital gains) and non-assessable non-exempt amounts and the sum of these amounts exceeds the sum of the cash distributions to which the Investor becomes entitled and the amount of tax offsets which the Investor is attributed - the Investor should be required to increase their cost base in the Units to the extent of the excess.

Tax file number (TFN) and Australian business number (ABN)

It is not compulsory for Investors to provide their TFN or ABN, and it is not an offence if they decline to provide them. However, unless exempted, if they are not provided, tax will be deducted from income distributions at the highest personal marginal rate plus the Medicare levy. The ABN, TFN or an appropriate exemption can be provided on the application form when making an initial investment.

US Tax Withholding and Reporting under the Foreign Account Tax Compliance Act (FATCA)

The United States of America (US) and Australia have entered into an intergovernmental agreement to implement the US Foreign Account Tax Compliance Act (FATCA) which is designed to detect US taxpayers who use accounts with offshore financial institutions to conceal income and assets from the Internal Revenue.

Broadly, the FATCA rules may require the Fund to report certain information to the Australian Taxation Office (ATO), which may then pass the information on

to the US Internal Revenue Service (IRS). If you do not provide this information, we will not be able to process your application.

To comply with these obligations, the Responsible Entity will collect certain personal information, documentation and certifications about you and undertake certain due diligence procedures to verify your FATCA status and provide information to the ATO in relation to your financial information required by the ATO (if any) in respect of any investment in the Fund. Perpetual will attempt to take all reasonable steps to comply with its FATCA obligations and to avoid the imposition of withholding tax upon Unit holders, however this outcome is not guaranteed.

You should consult with your tax advisers on how our due diligence and reporting obligations under FATCA may affect you.

Common Reporting Standards

The Australian government has implemented the OECD Common Reporting Standards Automatic Exchange of Financial Account Information (CRS) from 1 July 2017. CRS, like the FATCA regime, requires banks and other financial institutions to collect and report certain information about account holders to the ATO.

CRS requires certain financial institutions to report information regarding certain accounts to their local tax authority and follow related due diligence procedures. The Fund is expected to be a 'Financial Institution' under the CRS and intends to comply with its CRS obligations by obtaining and reporting information on relevant accounts (which may include your personal information and your Units in the Fund) to the ATO. If you do not provide this information, we will not be able to process your application.

For the Fund to comply with their obligations, we will request that you provide certain information, documentation and certifications to us. We will determine whether the Fund is required to report your details to the ATO based on our assessment of the relevant information received. The ATO may provide this information to other jurisdictions that have signed the CRS Competent Authority Agreement, the multilateral framework agreement that provides the mechanism to facilitate the automatic exchange of information in accordance with the CRS. The Australian Government has enacted legislation amending, among other things, the Taxation Administration Act 1953 of Australia to give effect to the CRS.

By applying to become an Investor in the Fund, you agree to provide us with the information which we reasonably require to comply with the FATCA and CRS regimes, including to notify us promptly of any change in circumstances of your tax residency information during the period in which you are an Investor in the Fund.

14. Additional information

Additional disclosure information

The Fund is subject to regular reporting and continuous disclosure obligations. Copies of documents lodged with ASIC may be obtained from, or inspected at, an ASIC office. Investors can also call Monash Investors to obtain copies free of charge.

Fund Constitution

The Constitution, along with the Corporations Act and other relevant laws, governs the way in which the Fund operates and the rights and responsibilities and duties of the Responsible Entity and Investors.

Liability of Investors

The Constitution states that the liability of an Investor is limited to the amount, if any, which remains unpaid on the Investor's Units.

An Investor need not indemnify the Responsible Entity or any creditor of the Fund or Responsible Entity if the Fund's assets are not sufficient to discharge the Fund's liabilities or meet the claim of any creditor of the Fund or the Responsible Entity in respect of the Fund.

The Constitution also provides that the Responsible Entity may deduct from any money payable to an Investor any taxes which it is required or authorised to deduct or which it considers should be deducted. While the Constitution limits the liability of the Investors in the manner described above, this position has not been fully tested in the courts of law.

Amendments

The Responsible Entity may by deed modify, repeal or replace the Constitution subject to the Corporations Act.

Retirement of the Responsible Entity

The Responsible Entity may retire or be required to retire as Responsible Entity when required to do so by law.

Termination

The Fund will terminate two days before the 80th anniversary of the date of the Constitution, but the Responsible Entity may terminate it earlier by notice to Investors or on such a date on which an event occurs which under the Corporations Act or the Constitution obliges the Responsible Entity to wind up the Fund. On termination, the Responsible Entity will realise the Fund's assets and pay to Investors their share of the net proceeds of realisation.

Rights of Investors

Subject to the general power of the Responsible Entity to issue different classes of Units and subclasses with different rights, obligations and restrictions, each Unit issued in respect of a class, gives an Investor a beneficial interest in the Fund only to the extent of the

assets referable to the class in which it holds an interest.

At any time, all Units of the same class are of equal value and rank. For the avoidance of doubt and without limiting the powers of the Responsible Entity, if the Fund has one or more classes of Units on issue, the Responsible Entity may in its absolute discretion allocate the application price, the withdrawal price, and distributions from the Fund between different classes of Units.

Meetings and voting

Meetings of Investors will be called and held in accordance with Part 2G.4 of the Corporation Act. Investors may appoint proxies to attend and vote at a meeting of Investors on their behalf. Voting will be conducted in accordance with Division 6 of Part 2G.4 of the Corporations Act. The Responsible Entity may at any time convene a meeting of Investors (electronically or otherwise).

Powers of the Responsible Entity

Subject to the Constitution, the Responsible Entity has all the powers in respect of the Fund that is possible under the law to confer on a responsible entity, including the power to borrow, invest and delegate its powers to others.

If the Responsible Entity acts without fraud, negligence or a breach of trust involving a failure to show the degree of care and diligence required of it, it is not liable in contract, tort or otherwise to Investors for any loss suffered in any way relating to the Fund.

The Responsible Entity is entitled to be reimbursed out of the assets of the Fund for, or pay from the assets of the Fund, all losses incurred or sustained by it in relation to the proper performance of its duties and exercise of its powers in relation to the operation, administration and management of the Fund and provided that the Responsible Entity has not engaged in any wilful misconduct, gross negligence or fraud in relation to that relevant liability.

A copy of the Constitution is available at no charge from the Responsible Entity on request.

The information set out in this PDS about the content of the Constitution is a summary only.

Material contracts - summary of the investment management agreement

The Responsible Entity has appointed the Investment Manager as manager of the Fund, pursuant to the investment management agreement entered into on 9 November 2020. Certain rights and obligations of each party under the investment management agreement are conditional upon the ASX admitting the Fund's Units to trading status on the ASX pursuant to the AQUA Rules.

A summary of the key material terms of the investment management agreement are set out below.

Services

Pursuant to the investment management agreement, the Investment Manager agrees to invest, promote and manage the assets of the Fund on behalf of the Responsible Entity in compliance with the investment strategy for the Fund.

In providing investment management and other services, the Investment Manager's responsibilities include, but are not limited to:

- making investment decisions to hold, realise or dispose of investments without the Fund's portfolio
- complying with the investment strategy for the Fund and reviewing the portfolio of the Fund at regular intervals to ensure the portfolio is managed in accordance with the investment strategy for the Fund;
- monitoring market liquidity and risks in relation to the Fund, and ensuring that appropriate portfolio management techniques are in place in order to minimise such risks;
- ensuring that levels of securities trading for the Fund are appropriate, and not intended to generate brokerage;
- ensuring that trades in the assets of the Fund are executed at the best available price and on a timely basis;
- ensuring that an appropriate currency hedging policy is formulated and maintained; and
- providing proper instructions to the Custodian and the Market Making Agent in relation to transactions concerning the assets of the Fund.

Powers and discretions of the Investment Manager

The Investment Manager may:

- request the Responsible Entity to summon a meeting of Investors which the Responsible Entity must do, subject to its duties under any relevant law;
- request the Responsible Entity consider retirement and appointment of a replacement responsible entity of the Fund;
- perform similar management or investment services for other persons;
- act as responsible entity for any one or more managed investment schemes or as manager or trustee of any trusts; and
- invest the Fund in another trust or scheme of which it or its related body corporate is the manager on the basis that any fees will be rebated to avoid double dipping.

Amendments

The investment management agreement may be amended by the Responsible Entity and the Investment Manager.

Responsible Entity Indemnity

The Responsible Entity must indemnify and hold harmless the Investment Manager against any liabilities reasonably incurred by the Investment Manager arising out of, or in connection with the Investment Manager or any of its officers or agents properly acting under the investment management agreement except to the extent that any liability is caused by negligence, fraud, default or dishonesty of the Investment Manager or any of its officers, employees or agents, the Investment Manager's breach of the agreement or failure to meet the required standard of care or any act or omission of the Investment Manager or any of its officers, employees or agents that causes the Responsible Entity to be liable to Investors for which the Responsible Entity has no right of indemnity from the Fund (**Excluded Acts**).

This obligation continues after the termination of the investment management agreement.

Investment Manager indemnity

The Investment Manager must indemnify and hold harmless the Responsible Entity against any liabilities reasonably incurred by the Responsible Entity and the Fund arising out of or, or in connection with, any of the Excluded Acts.

This obligation continues after the termination of the investment management agreement.

Management fee and performance fee

In consideration for the Investment Manager investing and managing the portfolio of the Fund and providing the services specified in the investment management agreement, the Responsible Entity will pay the Investment Manager a management fee and performance fee. Please refer to section 9 for a detailed explanation of fees and costs.

Expenses

The Investment Manager is entitled to be reimbursed for all expenses it reasonably and properly incurs in performing the services provided that it provides the Responsible Entity with written notice of the expenses together with copies of any invoices or supporting documents that the Responsible Entity may reasonably request to verify that the expenses have been reasonably and properly incurred.

Term and termination

The initial term of the investment management agreement is ten years, which may be extended by additional rolling ten year terms by the Investment Manager on written notice to the Responsible Entity and subject to compliance with the AQUA Rules and a resolution approving the extension being passed by Investors.

The Responsible Entity may terminate the investment management agreement with immediate effect on written notice to the Investment Manager, if:

- the Fund terminates in accordance with the Fund Constitution or the Corporations Act;
- on three months' notice in writing to the Investment Manager, if after the initial term of the

- investment management agreement of ten years or such longer term as is approved by Investors, an ordinary resolution is passed by Investors at properly convened meeting directing the Responsible Entity to terminate the investment management agreement or the appointment of the Investment Manager in respect of the Fund;
- where a change of control event occurs in respect of the Investment Manager and a special resolution is passed by Investors at a meeting properly convened directing the Responsible Entity to terminate the investment management agreement or the appointment of the Investment Manager in respect of the Fund; or
 - an event which gives rise to a right of either the Responsible Entity or the Investment Manager to terminate the investment management agreement occurs.

The Investment Manager is entitled to terminate the investment management agreement on written notice to the Responsible Entity:

- to take effect three months after the date of the notice (or a lesser period, if the Responsible Entity agrees);
- to take effect immediately if:
 - the Responsible Entity ceases to be the responsible entity of the Fund; or
 - an event which gives rise to a right of either the Responsible Entity or the Investment Manager to terminate the investment management agreement occurs.

In addition to the rights set out above, the Responsible Entity or the Investment Manager may terminate the investment management agreement with immediate effect on written notice if:

- a receiver, receiver and manager, administrative receiver or similar person is appointed with respect to the assets and undertaking of either the Investment Manager or the Responsible Entity, as applicable;
- either the Investment Manager or the Responsible Entity, as applicable:
 - goes into liquidation (other than for the purpose of a reconstruction or amalgamation on terms previously approved in writing by either the Investment Manager or the Responsible Entity, as applicable);
 - is placed under official management or an administrator is appointed to its affairs;
 - ceases to carry on business in relation to its activities as an investment manager;
 - materially breaches or fails to observe or perform any duty, obligation, representation, warranty or undertaking required of it under the investment management agreement that, in the opinion of either the Investment Manager or the Responsible Entity (as applicable), materially and adversely affects the rights of Investors, and fails to rectify the breach or failure to rectify the breach to the reasonable satisfaction of either the Investment Manager or the Responsible

Entity (as applicable) within a reasonable period specified by the relevant party in a notice to do so; or

- either the Responsible Entity or the Investment Manager (as applicable) considers it reasonably necessary to do so in order to ensure compliance with its duties and obligations under the relevant law and in any circumstances by the relevant law, trust law or any other law or by any court of competent jurisdiction.

Limitations on removal of Investment Manager

The Responsible Entity must not change the Investment Manager or appoint a new investment manager for the Fund unless the Investment Manager consents. However the Responsible Entity may exercise relevant termination rights if applicable.

The Investment Manager may request that the Responsible Entity enter into the investment management agreement with a related body corporate of the Investment Manager.

The information set out in this PDS about the content of the investment management agreement is a summary only.

Material contracts - summary of the Market Making Agent services agreement

The Responsible Entity has appointed the Market Making Agent to provide liquidity to Investors by acting as a buyer and seller of Units as required in the ordinary course of investment and management of the assets of the Fund. Pursuant to the terms of its appointment, the Market Making Agent is required to:

- comply with all applicable law and policies of either ASIC, ASX, the Australian Prudential Regulation Authority (APRA) or the Australian Transaction Reports and Analysis Centre (ATRAC);
- act in accordance with the instructions provided by the Investment Manager;
- deal in a financial product by issuing, applying for, acquiring, varying or disposing financial products including securities on behalf of the Fund;
- receive all instructions including maximum number of Units the Investment Manager is willing to create in any given day (subject to certain thresholds); and
- post daily bids and offers subject to parameters agreed with the Responsible Entity.

The information set out in this PDS about the content of the services agreement with the Market Making Agent is a summary only.

ASX conditions of admission

As part of the Fund's conditions of admission to the ASX under the AQUA Rules, the Responsible Entity has agreed to:

- disclose the Fund's portfolio holdings on a quarterly basis within two months of the end of each calendar quarter;

- make available half year and annual financial reports, distribution information and other required disclosures on the ASX announcements platform; and
- provide the iNAV as described in this PDS.

Periodic statements relief

ASIC Class Order 13/1200 exempts the Responsible Entity from certain periodic statement requirements. In particular, the Responsible Entity is not required (and does not propose) to include in periodic statements details of the price at which an investor transacts in Units on the ASX, or information on the return on an investment in Units acquired on the ASX (for the year in which the Units are acquired). If the Responsible Entity is not able to calculate this and the periodic statement explains why the information was not included and how it can be obtained.

Complaints Resolution

The Responsible Entity has established procedures for dealing with complaints. If an Investor has a complaint, they can contact the Responsible Entity or Monash Investors during business hours. We will endeavour to resolve your complaint fairly and as quickly as we can and within the maximum response timeframe. The maximum response timeframe is 45 days for standard complaints (or 30 days for standard complaints we receive on or after 5 October 2021). Other type of complaints and complex complaints may have a different maximum response timeframe. We will let you know if a different maximum response timeframe will apply to your complaint.

If an Investor is not satisfied with the outcome, the complaint can be referred to the Australian Financial Complaints Authority (AFCA). The AFCA provides a fair and independent financial services complaint resolution service that is free to consumers.

Website: www.afca.org.au

Email: info@afca.org.au

Telephone: 1800 931 678

In writing to: Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001

Conflicts of Interest and Related Party Transactions

The Responsible Entity and the Investment Manager may be subject to conflicts of interest when performing their duties in relation to the Fund.

The Perpetual Group, including the Responsible Entity, have in place governance frameworks, group policies and divisional procedures to ensure conflicts are identified and managed appropriately. These conflict policies are aimed at ensuring that conflicts involving individuals or related entities in the Perpetual Group are identified, reported, assessed and managed in a timely and appropriate manner in order to uphold the best interests of clients, members and shareholders. As part of the management of conflicts, Perpetual maintains a register of generic corporate conflicts, including related party conflicts, acting in multiple capacities on the same transaction and service provider to multiple entities, and how these conflicts are to be managed. When such a conflict is identified,

the register provides for certain controls to be utilised in order to manage this conflict. Examples of controls include engaging parties on 'arm's length' or third party terms, use of information barriers and compliance plans.

Compliance Committee and Compliance Plan

The Fund has a Compliance Plan which has been lodged with ASIC. It sets out measures that Perpetual is to apply in operating the Fund to ensure compliance with the Constitution and the Corporations Act. A Compliance Committee has been appointed to monitor compliance by the Responsible Entity with the Constitution and Compliance Plan. A copy of the Compliance Plan is available free of charge on request by contacting the Responsible Entity.

Anti-Money Laundering (AML) / Counter Terrorism Financing (CTF)

The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML Act) and other applicable anti-money laundering and counter terrorism laws, regulations, rules and policies which apply to Perpetual (AML Requirements), regulate financial services and transactions in a way that is designed to detect and prevent money laundering and terrorism financing. The AML Act is enforced by the Australian Transaction Reports and Analysis Centre (AUSTRAC). In order to comply with the AML Requirements, the Responsible Entity is required to, amongst other things:

- verify your identity and the source of your application monies before providing services to you, and to re-identify you if they consider it necessary to do so; and
- where you supply documentation relating to the verification of your identity, keep a record of this documentation for 7 years.

The Responsible Entity and the Unit Registry as its agent (collectively the Entities) reserve the right to request such information as is necessary to verify your identity and the source of the payment. In the event of delay or failure by you to produce this information, the Entities may refuse to accept an application and the application monies relating to such application or may suspend the payment of withdrawal proceeds if necessary to comply with AML Requirements applicable to them. Neither the Entities nor their delegates shall be liable to you for any loss suffered by you because of the rejection or delay of any subscription or payment of withdrawal proceeds.

The Entities have implemented several measures and controls to ensure they comply with their obligations under the AML Requirements, including carefully identifying and monitoring Investors. Because of the implementation of these measures and controls:

- transactions may be delayed, blocked, frozen or refused where an Entity has reasonable grounds to believe that the transaction breaches the law or sanctions of Australia or any other country, including the AML Requirements;
- where transactions are delayed, blocked, frozen or refused the Entities are not liable for any loss you suffer (including consequential loss) caused

by reason of any action taken or not taken by them as contemplated above, or because of their compliance with the AML Requirements as they apply to the Fund; and

- the Responsible Entity or the Administrator may from time to time require additional information from you to assist it in this process.

The Entities have certain reporting obligations under the AML Requirements and are prevented from informing you that any such reporting has taken place. Where required by law, an entity may disclose the information gathered to regulatory or law enforcement agencies, including AUSTRAC. The Entities are not liable for any loss you may suffer because of their compliance with the Requirements.

Privacy Statement

The Responsible Entity may collect personal information from you in the application and any other relevant forms to be able to process your application, administer your investment and comply with any relevant laws. If you do not provide the Responsible Entity with your relevant personal information, we will not be able to do so.

Privacy laws apply to our handling of personal information and the Responsible Entity will collect, use and disclose your personal information in accordance with its privacy policy, which includes details about the following matters:

- the kinds of personal information the Responsible Entity collects and holds;
- how the Responsible Entity collects and holds personal information;
- the purposes for which the Responsible Entity collects, holds, uses and discloses personal information;
- how you may access personal information that the Responsible Entity holds about you and seek correction of such information (note that exceptions apply in some circumstances);
- how you may complain about a breach of the Australian Privacy Principles (**APP**), or a registered APP code (if any) that binds the Responsible Entity, and how the Responsible Entity will deal with such a complaint;
- whether the Responsible Entity is likely to disclose personal information to overseas recipients and, if so, the countries in which such recipients are likely to be located if it is practicable for the Responsible Entity to specify those countries.

The privacy policy of the Responsible Entity is publicly available at www.perpetual.com.au or you can obtain a copy free of charge by contacting the Responsible Entity. A copy of Monash Investors' privacy policy is publicly available at www.monashinvestors.com.

Consents

Each of Monash Investors, the Prime Broker, the Administrator and the Market Making Agent:

- has made no statement included in this PDS or on which a statement made in this PDS is based,

other than the details about it, and the other sentences in this PDS that refer to it;

- has consented to those statements being included in this PDS in the form and context in which they appear and has not withdrawn this consent before the date of this PDS;
- specifically disclaims responsibility for, and liability to any person in the event of, any omission from, or any false or misleading statement included in, any other part of this PDS; and
- has not authorised or caused the issue of any part of this PDS.

15. AQUA Rules

As the Fund will be seeking to be admitted to trading status on the ASX under the AQUA Rules, this PDS is required to set out the key differences between the ASX Listing Rules and the AQUA Rules. These differences are set out below and generally relate to the level of control and influence that the issuer of a product has over the underlying instrument. The AQUA Rules are accessible at www.asx.com.au.

Requirements	ASX Listing Rule	AQUA Rule
Continuous Disclosure	Issuer of products under the ASX Listing Rules are subject to the continuous disclosure requirements under ASX Listing Rule 3.1 and section 674 of the Corporations Act.	<p>Issuers of products under the AQUA Rules are not subject to the continuous disclosure requirements under ASX Listing Rule 3.1 and section 674 of the Corporations Act.</p> <p>However, under the AQUA Rules, the Responsible Entity must provide ASX with information where the non-disclosure of that information may lead to the establishment of a false market in the Units or would materially affect the price of the Units.</p> <p>The Responsible Entity is required to disclose information about the NAV of the Fund daily. It must also disclose information about:</p> <ul style="list-style-type: none"> • net monthly applications and redemptions; • distributions and other disbursements; and • any other information that is required to be disclosed to ASIC under section 675 of the Corporations Act. <p>The Responsible Entity will make any required disclosure through the ASX announcements platform at the same time as it makes required disclosures to ASIC.</p>
Periodic Disclosure	Issuers of products under the ASX Listing Rules are required to disclose half-yearly and annual information or annual reports under Chapter 4 of the ASX Listing Rules.	Issuers of products quoted under the AQUA Rules are not required to disclose half yearly and annual financial information or reports. However, the Responsible Entity of the Fund is still required to lodge ASIC financial reports required under Chapter 2M of the Corporations Act. The Responsible Entity will also lodge these reports with ASX at the time they submit them to ASIC.
Corporate Control	Listed companies and listed managed investment schemes are subject to requirements in the Corporations Act and the ASX Listing Rules relating to matters such as takeover bids, share buy-backs, change of capital, new issues, restricted securities, disclosure of directors' interests and substantial shareholdings.	<p>As products quoted under the AQUA Rules are not shares in companies, the issuers of such products are not subject to the corporate governance requirements referred to under the Corporations Act and the ASX Listing Rules.</p> <p>However, the Responsible Entity, as an issuer of a product quoted under the AQUA Rules, is subject to the general requirement to provide ASX with information concerning itself that may otherwise lead to the establishment of a false market or materially affect the price of its products. Section 601FM of the Corporations Act will continue to apply to the Responsible Entity in relation to the removal of a Responsible Entity of a registered managed investment scheme by members.</p>

Related party Transactions	<p>Chapter 10 of the ASX Listing Rules specifies controls over related party transactions (which relate to transactions between an entity and other people in a position to influence the entity).</p>	<p>Chapter 10 of the ASX Listing Rules does not apply to AQUA products such as the Fund's Units. However, as the Fund is a registered managed investment scheme it is still subject to the related party requirements in Part 5C.7 and Chapter 2E of the Corporations Act.</p>
Auditor Rotation	<p>There are specific requirements in relation to auditor rotation under Part 2M.4 Division 5 of the Corporations Act.</p>	<p>The specific auditor rotation requirements under Division 5 of Part 2M.4 of the Corporations Act do not apply to AQUA product issuers. However the Responsible Entity will continue to be required to undertake independent audit of its compliance with the Fund's compliance plan in accordance with section 601HG of the Corporations Act.</p>

16. Glossary

Term	Means
\$ or AUD	Australian dollars, unless otherwise specified.
Absolute Return Focus	The aim of generating returns in rising and falling markets and not relative to a market benchmark such as the performance of the S&P ASX300.
Administrator, Mainstream or Unit Registry	Mainstream Fund Services Pty Limited ABN 81 118 902 891.
AFSL	An Australian Financial Securities Licence issued by ASIC.
Application Form	The application form that accompanies this PDS.
Application Price	Has the meaning given in section 2 (<i>What is my entry price when I make an investment in the Fund?</i>).
AQUA Market	The market for AQUA products operated by the ASX.
AQUA Rules	The rules issued by the ASX which apply to AQUA products, as supplemented, amended, varied, or replaced from time to time.
ASIC	Australian Securities and Investments Commission.
ASX	ASX Limited ABN 98 008 624 691.
ASX Listing Rules	The listing rules published by the ASX, as supplemented, amended, varied, or replaced from time to time.
ASX Operating Rules	The ASX Operating Rules published by the ASX, as supplemented, amended, varied, or replaced from time to time.
ASX Trading Day	A day during which securities are able to be traded on the ASX AQUA market, weekends, and most (but not all) public holidays are not ASX Trading Days.
Benchmark Unaware	An investment strategy that is applied without regard to the composition of a market benchmark index, such as the S&P ASX300.
Business Day	A day (other than a Saturday or a Sunday) on which banks are open for general banking business in Sydney.
Buy Spread	The estimated transaction costs associated with buying the assets of the Fund, when Investors invest in the Fund.
Calculation Agent	ICE Data Services Australia Pty Limited ABN 55 065 179 535
CHESS	The Clearing House Electronic Sub-register System, the Australian settlement system for equities and other issued products traded on the ASX and other exchanges. CHESS is owned by ASX.
Collateral	The securities and cash of the Fund held by the Custodian which secures the obligations of the Fund to the Prime Broker.
Constitution	The constitution establishing the Fund dated 2 July 2020, as amended from time to time.
Corporations Act	The <i>Corporations Act 2001 (Cth)</i> .
Custodian	Morgan Stanley & Co. International plc ARBN 613 032 705.
EFT	Electronic Funds Transfer.
Fund	Monash Absolute Active Trust (Hedge Fund) ARSN 642 280 331.

High Water-Mark	The NAV of the Fund when a performance fee was last paid less any distributions of income or capital since such time or if a performance fee has never been paid, zero.
HIN	Holder Identification Number.
Hurdle	The hurdle is the RBA Cash Rate plus 5%.
IDPS	Investor Directed Portfolio Service. References to IDPS includes IDPS-like facilities like master funds and wrap services.
Indicative Net Asset Value or iNAV	The indicative NAV per Unit that will be published during an ASX Trading Day to take into account any changes in the market prices of securities held in the Fund during that trading day.
Investment Management Agreement	The investment management agreement entered into by the Investment Manager and the Responsible Entity dated 9 November 2020.
Investment Manager or Monash Investors	Monash Investors Pty Ltd ABN 67 153 180 333 AFSL 417 201.
Investor	A person who owns Units.
Liquid Scheme	In respect to the Fund, means that the Fund is a liquid scheme for the purposes of the Corporations Act as 80% of the Fund's are liquid assets.
Listed Equities	Equity securities issued by an entity which is admitted to the ASX Official List and that are quoted on the ASX (disregarding any trading halts or suspensions).
Long Biased	An investment strategy that maintains a net positive exposure to the market, such that long positions on average are expected to exceed short positions.
Market Cycle	The time period over which the stock market reflects the strong and weak phases of an economy. This typically has previously occurred over circa 7 years (though this is not indicative that it will continue to be the case).
Market Making Agent or Macquarie	Macquarie Securities (Australia) Limited ABN 58 002 832 126.
Market Price	The market price at which Units are bought and sold on-market on the ASX.
NAV	Net asset value.
PDS	This product disclosure statement.
Prime Broker	Morgan Stanley & Co. International plc (a public limited company duly organized under the laws of England and Wales and a foreign financial services provider relying on ASIC Class Order 03/1099: UK Regulated Financial Services Providers) registered as a foreign company in Australia with ARBN 613 032 705 - Liability is limited.
RBA Cash Rate	The cash rate set by the Reserve Bank of Australia.
Sell Spread	The estimated transaction costs associated with selling the assets of the Fund, when Investors withdraw from the Fund.
SRN	Securityholder Reference Number.
Transaction Costs	Includes any of the following: brokerage; Buy/Sell Spread; settlement costs (including custody costs); clearing costs; stamp duty on an investment transaction; the costs in relation to derivative financial products; but does not include: excluded transactional and operational costs (such as borrowing costs and property operating costs); performance fees; and costs that are otherwise charged as administration fees and costs, investment fees and costs or management fees and costs.

Unit	A unit in the Fund.
Unit Register	The registry for the Units maintained by the Administrator.
Withdrawal Form	The form for an Investor to use if the Investor wishes to have Units redeemed by the Responsible Entity which is available from the Unit Registry.
Withdrawal Price	Has the meaning given in section 2 <i>"For what price can I sell my Units in the Fund?"</i> .
You, your	Investors (and, when the context requires, potential Investors).
We, our, us, Perpetual, Responsible Entity	The Trust Company (RE Services) Limited ABN 003 278 831 AFSL 235150.

17. Contact details

Monash Absolute Active Trust (Hedge Fund) (ASX : MAAT)

Responsible Entity

The Trust Company (RE Services) Limited
Level 18, Angel Place
123 Pitt Street
SYDNEY NSW 2000
T: +61 2 9229 9000
W: www.perpetual.com.au

Investment Manager

Monash Investors Pty Limited
Level 5, 130 Macquarie Street
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T: +61 2 9237 8862
E: contactus@monashinvestors.com
W: www.monashinvestors.com

Unit Registry and Administrator

Mainstream Fund Services Pty Limited
1/51-57 Pitt Street
Sydney NSW 2000
T: 1300 133 451 (or +61 2 8259 8888 from outside
Australia)
E: registry@mainstreamgroup.com