

# IAM Small Companies Fund

## Product Disclosure Statement



**INDEPENDENT ASSET MANAGEMENT**

Issued by:  
Ventura Investment Management Ltd  
ABN 49 092 375 258  
AFS Licence No: 253 045  
Telephone: 1300 791 896  
[www.allstarfunds.com.au](http://www.allstarfunds.com.au)  
Date 12 May 2010

**Responsible entity**

Ventura Investment Management Ltd  
AFSL 253 045 ABN 49 092 375 258  
Business operations  
Level 6, 2 Elizabeth Plaza  
North Sydney NSW 2060  
Client Service 1300 791 896

**Investment manager**

Independent Asset Management Pty Limited  
AFSL 246 920 ABN 32 096 383 078

**Custodian & Registry**

National Australia Bank Limited  
ABN 12 004 044 937  
Level 12, 500 Bourke Street  
Melbourne VIC 3000  
Fax: 1300 365 601

**Important information**

An investment made under this Product Disclosure Statement (PDS) represents an investment in Foundation units in the IAM Small Companies Fund ARSN 134 111 890 (referred to as the Fund).

Ventura Investment Management Ltd (Ventura, us, we, our, and responsible entity) is the responsible entity for the Fund. Ventura is the issuer of this PDS and takes responsibility for its contents.

**Investments are subject to investment risk, including possible delays in repayment and loss of income and capital invested. None of Ventura, any related company or external service providers (including the investment managers) referred to in this PDS guarantee the repayment of capital, payment of income or the performance of the Fund. National Australia Bank Limited (NAB) is custodian of the assets in the Fund. NAB does not make any representation or warranty as to, or assumes any responsibility for, the accuracy or completeness of any information (including any opinion) contained in the PDS and does not accept any liability for its contents. National Australia Bank Limited has not authorised or caused the issue of the PDS.**

The offer made in this PDS is available to persons receiving this PDS in Australia (electronically or otherwise). No offer or invitation is made by this PDS, directly or indirectly, in any other jurisdiction where the offer or invitation would breach the applicable laws or require the PDS or any other document to be lodged or registered. Information in this PDS is general information and does not take into account an investor's specific needs or circumstances. Investors should consult an Australian financial services licensee or authorised representative to obtain investment advice on the Fund.

This PDS is available in paper form by calling Client Service on 1300 791 896 and as an electronic PDS which may be viewed online at [www.allstarfunds.com.au](http://www.allstarfunds.com.au). Applications for units may only be made on the Application Form attached to or accompanying this PDS or its online copy form as downloaded in its entirety. The Corporations Act prohibits any person from passing onto another person the Application Form unless it is attached to, or accompanied by, the complete and unaltered version of the PDS.

Information relating to the Fund such as investment performance, may change from time to time. A copy of updated information is available free on request by contacting Client Service or on the website.

<b>Contents</b>	<b>Page</b>
Important information	Inside cover
Features at a glance	2
The IAM Small Companies Fund	3
Key parties	3
Changes to the Fund	4
Our investment policies	4
Fund profile	5
Risks of investing	6
Managing risk	7
Fees and other costs	8
Additional explanation of fees and costs	10
Investing	12
Withdrawing	13
How the Fund operates	14
Taxation information	15
Your rights and ours	16
Other information	18
Glossary	20
Getting started	20
Application Form	21
Direct Debit Request	31

# Features at a glance

Feature	Description	Where to find more information in this PDS
<b>Investment manager</b>	Independent Asset Management Pty Limited	Pages 3 & 5
<b>Distributions</b>	Usually paid half-yearly.	Page 14
<b>Payment of distributions</b>	Reinvested and/or paid to a financial institution nominated by you.	
<b>Transaction choices and minimum requirements</b>		
Minimum initial investment	\$20,000 or \$10,000 for the Regular Investment Plan	Page 12
Minimum additional investment	\$5,000	
Minimum withdrawal	\$5,000 subject to minimum balance	
Minimum balance	\$5,000	
<i>Regular Investment Plan</i>		
Minimum initial investment	\$10,000	Page 12
Minimum additional investment	\$500 per month	
<i>Regular Withdrawal Plan</i>		
Minimum withdrawal	\$500 subject to minimum balance	Page 13
<b>Contribution &amp; withdrawal fees</b>	Nil	Page 8
<b>Transaction costs (buy-sell spread)</b>	0.25% of the unit price for the Fund on the issue or withdrawal of units.	Page 11
<b>Management fee <sup>1</sup></b>	0.51% p.a. of Fund value, plus a Minimum Annual Fee.  The Minimum Annual Fee is equal to \$51,250 less 0.21% of Fund value, both per annum as calculated daily and applies where the Fund value is less than \$25 million.	Pages 8 - 11
<b>Expense recoveries <sup>1</sup></b>	0.10% p.a. of Fund value.	Pages 8 - 10
<b>Performance fee <sup>1</sup></b>	21.5% of the return in excess of the hurdle above the Fund's benchmark.	Pages 8 - 11
<b>Risks</b>	As with any investment, there are a number of risks that may affect the value of your investment. You should consider carefully the risks that may affect the financial performance of your investment in the Fund.	Page 6

1. Fees and costs are inclusive of the net effects of GST and are rounded to the nearest second decimal place.

The IAM Small Companies Fund provides investors with the opportunity to invest in small companies listed on the Australian Securities Exchange, being those companies outside of the top 100 listed companies by market capitalisation.

The investment manager of the Fund, Independent Asset Management Pty Limited (IAM) is a boutique fund manager with a focus on active Australian equities funds management. It is this environment that fosters nimble investment decision making and enables a performance culture.

IAM believes that equity markets tend towards efficiency, however they exhibit periods of inefficiency which create investment opportunities. These periods of inefficiency are more common for small companies.

IAM does not closely align the Fund to the standard share index. This may give investors a very different outcome to funds which closely reflect the index.

### Responsible entity

Ventura is the responsible entity of the Fund. Ventura is a special purpose funds management company established to offer professionally managed investments for investors. Money is allocated to the investment manager by the responsible entity.

The responsible entity reviews the investment manager on an ongoing basis to ensure that it is performing to its investment expectations and managing the investments of the Fund according to the agreed process.

### Investment manager

The investment manager appointed for the Fund is Independent Asset Management Pty Limited. IAM decides the specific investments it will make in accordance with the investment and risk management guidelines agreed between IAM and the responsible entity.

### Custodian and administrator

The custodian for the Fund is National Australia Bank Limited (NAB). NAB is appointed under a custody agreement to hold the assets of the Fund. NAB has also been appointed as the provider of administrative services. Each agreement continues for an initial period of three and five years respectively, unless terminated earlier under the agreements.

As an independent custodian, NAB is a long established and respected custodian which holds the Fund assets on behalf of the responsible entity, determines their value, and is responsible for the administration of the Fund.

We may add to, or close, the Fund, change the rules that govern the Fund or alter its investment objectives or strategies, benchmark or asset allocation ranges at our discretion.

We have the right to add or remove an investment manager, change an underlying fund or underlying manager or change the name of the Fund without prior notice. Fees may be changed, refer to page 12 for more information.

We will notify you of any material change or significant event concerning the Fund.

Please refer to our website, [www.allstarfunds.com.au](http://www.allstarfunds.com.au) or call Client Service on 1300 791 896 for up to date information.

### **Environmental and ethical considerations**

Whilst we intend to conduct our affairs in an ethical and sound manner, our investment criteria does not take into account labour standards, environmental, social or ethical considerations for the purpose of selecting, retaining or realising an investment of the Fund.

### **Derivatives**

A derivative is a financial contract whose value is based on, or derived from, a security (e.g. a stock or bond), an asset or an index. Under its constitution, the Fund may invest in derivatives which can be used for hedging, risk control or to implement investment strategies. However, currently we do not use derivatives for the Fund.

### **Borrowings**

It is not our intention to borrow money for the Fund (other than to meet short-term liquidity requirements), or to gear or add leverage to the Fund.

## IAM Small Companies Fund <sup>1</sup>

Investment manager profile	Investment objective									
<p>The investment manager appointed for the IAM Small Companies Fund is Independent Asset Management Pty Limited (IAM).</p> <p>IAM is a focused boutique Australian share manager established in 2001 by Mr Greg Matthews. Having joined the investment industry in 1979, Matthews is an Australian share market veteran with a formidable track record. He was one of Australia's top performing equities manager at ING (Mercantile Mutual) and was Chief Investment Officer and Joint Head of Funds Management at Macquarie Bank. After years of leading teams at large institutions, Matthews broke free from bureaucracy to do what he really loves, managing share portfolios in an unfettered environment.</p> <p>John Christopher and Mark Leong joined IAM to establish the IAM Small Companies Fund. Both have substantial experience in small companies funds management (more than 50 years in aggregate). The team have complementary backgrounds, with Christopher holding senior roles at AMP and Leong holding senior roles with a number of prominent family offices.</p> <p>IAM aims to generate consistent top quartile returns by an active stock selection process through the whole investment cycle. This takes into account a macro economic view, as well as a number of additional factors such as value, growth and earnings surprises. IAM do not limit themselves to a specific style of investment management, preferring to invest in stocks with opportunities based on valuations or earnings potential.</p> <p>IAM is currently managing approximately \$1.5 billion of investments. Much to its credit, IAM intends to fortify and maintain its boutique culture by limiting funds under management.</p>	<p>To provide long-term capital growth from exposure to a portfolio of Australian securities classified as small companies on the ASX (ex top 100). The Fund aims to outperform the S&amp;P/ASX Small Ordinaries Accumulation Index.</p>									
	Investment strategy									
	<p>The Fund invests predominantly in securities listed or expected to be listed on the Australian Securities Exchange within the S&amp;P/ASX Small Ordinaries Accumulation Index. A top down, or macro economic, view is taken by the investment manager to identify preferred sectors, which is then combined with bottom up stock picking, with 40-80 stocks ultimately held in the portfolio. The tracking error is up to 8% p.a. ex-ante. The Fund can invest up to 20% outside the S&amp;P/ASX Small Ordinaries Index.</p>									
	Asset sector ranges <sup>2</sup>									
	<table border="1"> <thead> <tr> <th></th> <th>Min%</th> <th>Max %</th> </tr> </thead> <tbody> <tr> <td>Australian securities</td> <td>90</td> <td>100</td> </tr> <tr> <td>Cash</td> <td>0</td> <td>10</td> </tr> </tbody> </table>		Min%	Max %	Australian securities	90	100	Cash	0	10
	Min%	Max %								
Australian securities	90	100								
Cash	0	10								
	Time frame									
	<p>Suggested minimum investment timeframe is 5+ years.</p>									
	Investment manager									
	<p>Independent Asset Management Pty Limited.</p>									

1. Performance and other Fund information will change from time to time. Current Fund information can be obtained from [www.allstarfunds.com.au](http://www.allstarfunds.com.au) or by contacting Client Service on 1300 791 896.
2. The asset sector ranges may be exceeded from time to time due to a number of factors, such as large inflows into the Fund or through significant market movements. We aim to maintain the Fund's exposure within these ranges over the medium to long term.

# Risks of investing

All investing involves risk. It's the trade-off for return, as generally you only get higher expected return with higher risk.

Over longer time periods, investors can generally expect share and property investments to generate higher returns than fixed interest or cash investments. The trade-off is that the volatility of those returns will also be higher. This means an increased risk that over a shorter time period your investment could fall in value.

Investment risk can be managed and even minimised but it cannot be completely removed. It is important to understand that not all risks are foreseeable. There is always the chance that you may lose money on any investment you make. Some common types of investment risk are outlined in the table below.

Type of risk	Explanation
<b>Sharemarket risk</b>	Changes in the value of share prices may result in a loss of capital or large fluctuations in the unit price of the Fund. Factors that drive changes in share prices include, changing profitability of companies and industries, economic cycles, volume of share issuance, investor demand levels, business confidence and government and central bank policies.
<b>Liquidity risk</b>	When particular investments are difficult to purchase or sell, this may prevent the Fund from selling an investment within a timely period and at a fair price. If the Fund is required to sell securities to settle withdrawals, there is a risk that the sale may be made on unfavorable terms, potentially subjecting the Fund to loss. While every effort is made for the Fund to be able to meet all withdrawals, prevailing market conditions may result in the Fund not being able to meet all withdrawal requests when they are received. Under the Fund's constitution, we may suspend or stagger the processing of withdrawals in certain situations, see page 13 for more information.
<b>Manager risk</b>	The investment manager for the Fund may not achieve its performance objectives or may not produce returns that compare favourably against its peers. Many factors can negatively impact the manager's ability to generate acceptable returns from its securities selection, such as loss of key staff.
<b>Fund risk</b>	This is the risk that the Fund could terminate or the Fund's rules, investment objectives and strategies, asset allocation, fees, expenses or key investment professionals could change. There is also the risk that investing in the Fund may give different results than investing directly in the Fund assets because of the income or capital gains accrued in the Fund and the consequences of investment and withdrawal by other investors. As investors can move in and out of the Fund at different points in time, there is a risk that taxation liabilities for gains that have benefited past investors may have to be met by subsequent investors.

**To manage your risks, you should obtain professional investment advice which is tailored to your investment objectives, financial situation and particular needs. We strongly encourage you to invest for the recommended time frame.**

## How can you reduce risk

There are ways you can reduce your investment risk, including:

- Obtain professional investment advice. A professional Financial Adviser will help ensure that the investment decisions you make are appropriate, bearing in mind your investment objectives, financial and personal situation, risk tolerance and level of investment experience.
- Diversify across asset classes, markets and countries. This can help reduce the impact that events affecting one asset class, market or country will have on your overall investment.
- Invest for the recommended timeframe. Higher risk investments, such as shares, exhibit less volatility when viewed over longer time periods. Consequently, investing for the minimum recommended time frame will give you a greater chance of enjoying a better return.

## Managing risk

IAM as the investment manager appointed for the Fund also applies risk management measures to manage risk within the portfolio it manages.

IAM has a strong culture of compliance. Non S&P/ASX Small Ordinaries Accumulation Index securities may make up no more than 20% in aggregate of the Fund value. Cash may make up no more than 10% in Fund value.

To limit risk, a security holding in the Fund may not exceed index weight plus 5% or 1.5 times its index weight, whichever is greater. The maximum holding in a particular company is 5% of the company.

No short positions, securities lending, leverage or gearing is undertaken. The investment manager does not use derivatives for the Fund.

# Fees and other costs

## Consumer Advisory Warning

### DID YOU KNOW?

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

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the Fund or your Financial Adviser.

#### TO FIND OUT MORE

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

The following table shows the 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 Fund assets as a whole. Taxes are set out on page 15. You should read all of the information about fees and costs, because it is important to understand their impact on your investment.

Type of fee or cost	Amount <sup>1</sup>	How and when paid
<b>Fees when your money moves in or out of the Fund <sup>2</sup></b>		
<b>Establishment fee:</b> The fee to open your investment.	Nil	Not applicable
<b>Contribution fee:</b> The fee on each amount contributed to your investment.	Nil	Not applicable
<b>Withdrawal fee:</b> The fee on each amount you take out of your investment.	Nil	Not applicable
<b>Termination fee:</b> The fee to close your investment.	Nil	Not applicable
<b>Management costs <sup>1</sup></b>		
The fees and costs of managing your investment include:	<b>% p.a. of Fund value</b>	
Management fee <sup>3</sup>	0.51 plus the Minimum Annual Fee where the Fund value is less than \$25 million. See the table on page 10 for examples of how the Minimum Annual Fee applies.	The management fee is accounted for each day within the unit price and paid quarterly in arrears. The Minimum Annual Fee is an amount equal to \$51,250 less 0.21% of Fund value, both per annum, calculated daily within the unit price and paid quarterly in arrears. The management fee and Minimum Annual Fee are deducted directly from the Fund's assets.
Performance fee <sup>4</sup>	21.5	The performance fees are accounted for each day within the unit price and are paid quarterly. The fees are deducted directly from the Fund's assets.
Expense recoveries	0.10	The expense recoveries are accounted for each day within the unit price and are paid quarterly in arrears. The expense recoveries are deducted directly from the Fund's assets.
<b>Service fees <sup>5</sup></b>		
<b>Investment switching fee <sup>2</sup></b> The fee for changing your Fund.	Nil	Not applicable

# Fees and other costs

## Continued

1. Fees and costs are inclusive of the net effect of GST and are rounded to the nearest second decimal place. The investment manager fees are included in these fees and are not an additional cost to investors. Costs are shown as a per annum percentage of Fund value, except for the performance fee, which is shown as a per annum percentage of Fund value in excess of the benchmark plus the hurdle, see the Additional explanation of fees and costs on page 11 for more information.
2. You will incur a transaction cost or buy-sell spread, when your money moves in or out of the Fund. For more information, please refer to the Transaction costs section of the Additional explanation of fees and costs on page 11.
3. For examples of application of the Minimum Annual Fee at different Fund values, please refer to the table on page 11 of the Additional explanation of fees and costs.
4. The performance fee is payable in certain circumstances. For more detail, please refer to the Performance fees section of the Additional explanation of fees and costs on page 11.
5. An Adviser Service Fee may apply if you negotiate this separately with your adviser; refer to page 11 for more information.

### Example of annual fees and costs

The following tables give examples of how the fees and costs charged for the Fund can affect your investment over a 1 year period. You should use these tables to compare this product with other managed investment products.

#### Example 1– Where no performance fee is payable

		BALANCE OF \$50,000 WITH CONTRIBUTION OF \$5,000 DURING THE YEAR
<b>Contribution fees</b>	Nil	For every \$5,000 you put in, you will be charged nil.
<b>PLUS Management costs and expense recoveries</b>	0.62% p.a.	<b>And</b> , for every \$50,000 you have in the Fund you will be charged \$308 a year.
<b>EQUALS Cost of Fund</b>		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 from: \$308 to \$339.

The above example is used for illustrative purposes only. The example assumes that:

- numbers may not add exactly due to rounding to the nearest second decimal place;
- the effect of distributions has not been taken into account; and
- the actual amount of management costs will depend on the timing of the additional contribution.

#### Example 2 – Where the Minimum Annual Fee applies

		BALANCE OF \$50,000 WITH CONTRIBUTION OF \$5,000 DURING THE YEAR
<b>Contribution fees</b>	Nil	For every \$5,000 you put in, you will be charged nil.
<b>PLUS Management costs and expense recoveries</b>	0.62% plus Minimum Annual Fee	<b>And</b> , for every \$50,000 you have in the Fund you will be charged \$463 a year.
<b>EQUALS Cost of Fund</b>		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 from: \$463 to \$509.

The above example is used for illustrative purposes only. The example assumes that:

- numbers may not add exactly due to rounding to the nearest second decimal place;
- the Fund value was \$10 million;
- the effect of distributions has not been taken into account;
- the actual amount of management costs will depend on the timing of the additional contribution; and
- see table on page 10 which shows the actual total percentage management costs at different Fund value levels.

### Example 3– Where a performance fee is payable (but no Minimum Annual Fee applies)

		BALANCE OF \$50,000 WITH CONTRIBUTION OF \$5,000 DURING THE YEAR
<b>Contribution fees</b>	Nil	For every \$5,000 you put in, you will be charged nil.
<b>PLUS Management costs and expense recoveries</b>	0.62% plus 21.5% p.a. performance fee	<b>And</b> , for every \$50,000 you have in the Fund you will be charged \$308 a year.  If the requirements for a performance fee are met, you will be charged an additional \$323.
<b>EQUALS Cost of Fund</b>		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 from: \$308 to \$685.

The above example is used for illustrative purposes only. The example assumes that:

- numbers may not add exactly due to rounding to the nearest second decimal place;
- performance above the hurdle was 3% per annum. Please note that this is an example only, and is not a forecast or statement of the performance of the Fund. The actual performance of the Fund, the timing of the performance, and hence the performance fee accrued, could vary. Please page 11 in the Additional explanation of fees and costs for more information on how the performance fee is calculated;
- the effect of distributions has not been taken into account; and
- the actual amount of management costs will depend on the timing of the additional contribution.

## Additional explanation of fees and costs

### Management costs

The management costs of the Fund as set out on page 8 include:

- a management fee;
- expense recoveries;
- a performance fee; and
- a Minimum Annual Fee where the Fund value is less than \$25 million.

We receive a management fee for administering and managing your investments in the Fund. This includes administration, registry and custodian services and the costs of the investment manager.

We are entitled to be reimbursed for the day to day expenses incurred in the operation of the Fund, such as printing and audit fees. Although the amount of the reimbursement is not limited, the amount recovered is not expected to exceed 0.10% per annum of the Fund value for the duration of this PDS.

We are also entitled to be reimbursed from the Fund for abnormal expenses, such as the cost of unit holder meetings, defending legal proceedings, special valuation of assets and the costs of terminating the Fund. These abnormal expenses are not generally incurred during the day-to-day operation of the Fund and are not necessarily incurred in any year. If they arise, the responsible entity reserves its right to deduct these expenses from the Fund except where otherwise specified in this PDS.

The Minimum Annual Fee applies while the Fund value is less than \$25 million. The Minimum Annual Fee is equal to \$51,250 less 0.21% of Fund value, both per annum, calculated daily. The Minimum Annual Fee will not apply once the Fund reaches \$25 million in Fund value.

The table below shows examples of how much the Minimum Annual Fee is at different Fund values.

Fund value <sup>1</sup> \$ millions	Minimum Annual Fee % p.a.	Total management costs % p.a. (= management fee + expense recoveries + Minimum Annual Fee) <sup>2</sup>
3	1.51	2.13
4	1.08	1.70
5	0.82	1.44
10	0.31	0.93
15	0.14	0.76
20	0.06	0.68
25	Nil	0.62

1. The Fund value at commencement will be approximately \$3m, so the table commences with \$3m Fund value.
2. Does not include performance fee.
3. Rounded to the nearest second decimal place.

# Additional explanation of fees and costs

## Continued

### Performance fee

Performance fees provide an incentive for the investment manager to achieve superior performance. The performance fee may be charged by Ventura and/or the investment manager.

The performance fee will not be payable unless the investment manager has achieved a return for the Fund in excess of the hurdle. The hurdle for the Fund is the S&P/ASX Small Ordinaries Accumulation Index plus the investment manager's fee, which is less than 0.50% p.a. The performance fee is calculated on this excess return and is accrued daily in the unit price and paid quarterly in arrears.

If there is a period of underperformance to the benchmark for the Fund, the accrued performance fee is frozen at its current level. The performance fee will not then accrue again until the value of the underperformance has been recouped back to the amount the performance fee was frozen at (called the high water mark). Performance fees are based on realised and unrealised gains. That means that a performance fee may be paid on unrealised gains that may never subsequently be realised.

The following examples illustrate when a performance fee may be payable in different situations.

Examples	Performance fee payable?
Investment manager outperforms the hurdle. Fund outperforms its benchmark.	Yes Investment manager receive a performance fee.
Investment manager outperforms the hurdle, but it has past underperformance that has not yet been recovered. Fund outperforms its benchmark.	No
Investment manager outperforms the benchmark but underperforms the hurdle. Fund outperforms its benchmark.	No

### Indirect Cost Ratio

The total management costs as a percentage of the assets of the Fund can be calculated over prior periods as the Indirect Cost Ratio (the ICR). As the Fund is new it does not have an ICR.

### Transaction costs

Due to the nature of its investments, the Fund incurs transaction costs. These costs are also called the buy-sell spread and are ordinarily associated with the purchase and sale of a particular asset such as shares or units. These are additional costs investors generally would have to pay if they bought and sold the securities of the Fund.

The issue and withdrawal prices of the Fund are determined by adding or subtracting the transaction cost to or from the unit price as the case may be. This allowance is not a fee received by us, but is paid into the Fund. The current transaction cost for the Fund is 0.25%. This amount may change without notice; if for example, transaction costs change.

### Financial Adviser remuneration

Your Financial Adviser will assist with understanding and managing your investment requirements. They may receive payment for providing these services. Your Financial Adviser meets their expenses from this remuneration, and also relies on it to provide an income. You may negotiate with your Financial Adviser for them to receive an ongoing adviser fee. These payments are in addition to the management costs referred to in this PDS.

You can choose for these payments to be deducted from your account as a percentage of your total investment value or as a specified dollar amount, both calculated on a per annum basis. We will deduct this fee and pay it to your Financial Adviser on your behalf on a monthly basis through the withdrawal of units if you complete the appropriate section in the Application Form. Please note that the withdrawal of units has taxation consequences, refer to the Taxation Section on page 15 for more details.

Your Financial Adviser may be a shareholder in the responsible entity.

# Additional explanation of fees and costs

Continued

Investing

## Maximum fees and fee changes

The Fund's constitution allows us to charge management fees. These fees are calculated and payable on the basis set out in the constitution for the Fund. Where there is any material change of fees for the Fund within the below bands, we will give not less than 30 days prior notice to investors of the change. Until further notice, we will charge lower fees than set out in the constitution as set out in the table below, inclusive of the net effects of GST.

Maximum management fee in constitution p.a. % of Fund value	Actual fee charged p.a. % of Fund value	Maximum performance fee in constitution p.a. % of outperformance	Actual performance fee charged
1.50 plus the Minimum Annual Fee where the Fund value is less than \$25 million.	0.51 plus the Minimum Annual Fee where the Fund value is less than \$25 million.	25	21.5

## Wholesale investors

At our absolute discretion, we may negotiate and agree management costs individually with certain wholesale investors (as defined by the Corporations Act 2001). All other fees remain the same. Accordingly, we may waive or rebate some of our fees to these wholesale investors so that they pay reduced fees. This is generally because they invest large amounts of money in the Fund.

We may enter into a variety of arrangements with service providers such as IDPS operators that may involve us making payments and providing services to these operators in return for the promotion of the Fund. The payments may be one-off or on-going. These payments to service providers are paid by us out of our fees and are not an additional cost to you.

## Initial investment

To make an investment into the Fund, simply complete the Application Form accompanying this PDS and return it together with a cheque to the IAM Small Companies Fund – a/c (applicant name), complete the Direct Debit Request on page 31 or invest electronically, using the details of the custodian's account set out on page 20. Application money is deposited into a non-interest bearing account with the custodian pending its processing.

You will be purchasing Foundation units in the Fund. The minimum initial investment is \$20,000, unless investing in the Regular Investment Plan. Additional investments can be made in minimum amounts of \$5,000 or for the Regular Investment Plan, \$500.

## Regular Investment Plan

The Regular Investment Plan allows you to invest as little as \$10,000 initially and then build up your investment with regular contributions over time. You can add a minimum \$500 to your investment each month. This amount is used to buy additional units in the Fund. Units are issued in accordance with the terms of the PDS current at the time.

To set up the Regular Investment Plan via Direct Debit, nominate the initial amount and Regular Investment Plan amount on the application form on page 23. Complete the Direct Debit Request on page 31.

You may request in a particular month that the regular investment not be made or that it be cancelled. Should you wish to alter or stop making payments, the request must be made in writing, signed by the investor and received by us with at least 14 days prior notice. We may vary the minimum monthly or withdraw the Regular Investment Plan for the Fund by giving 30 days prior notice to investors.

If you participate in the Regular Investment Plan, you should keep the current PDS together with any updated information for future reference. A copy of the current PDS is available on our website, [www.allstarfunds.com.au](http://www.allstarfunds.com.au) or on request by telephoning Client Service on 1300 791 896 or by contacting your Financial Adviser.

# Withdrawing

## Withdrawing

The Fund provides easy access - you can withdraw your investment at any time, using one of the following methods:

- (a) by making a written request to withdraw all or part of your investment; or
- (b) by completing a withdrawal form and forwarding it to Registry Services.

Withdrawal forms are available from your Financial Adviser or by contacting Client Service on 1300 791 896 Monday to Friday between 9.00am and 5.30pm Sydney time (excluding NSW public holidays).

The minimum amount you can withdraw is \$5,000 unless you are withdrawing the entire balance of your investment or making regular withdrawals, for which the minimum of \$500 applies. You will need to maintain at least \$5,000 in the Fund.

Payment of withdrawals is usually made by deposit to your nominated bank account. Withdrawals are usually processed within five business days after receipt of a correctly completed original withdrawal request, although the Fund's constitution allows longer in the circumstances described below.

## Suspension or delay of withdrawals and applications

Under certain circumstances, we have the right to suspend withdrawals. These include:

- (c) the closure of a securities exchange or trading restrictions on a securities exchange;
- (d) an emergency or other state of affairs;
- (e) the declaration of a moratorium in a country where the Fund has investments;
- (f) a closure of, or restrictions on, trading in a relevant foreign market; or
- (g) the realisation of investments not being able to be effected at prices which would be realised if investments were sold in an orderly fashion over a reasonable period in a stable market.

Where withdrawals are suspended, applications will also be suspended. For withdrawal or application requests lodged during a suspension period, unit prices will be calculated and paid as if the request were lodged immediately after the end of the suspension.

There may be a delay in processing withdrawal or application requests immediately after the end of a distribution period, when unit pricing is suspended pending processing of the distribution.

The responsible entity may stagger withdrawal requests over several days in the proportions it determines. This would happen typically where there are a large number of withdrawal requests received on a particular day.

## Regular Withdrawal Plan

The Regular Withdrawal Plan allows you to withdraw a regular fixed amount monthly. When you complete an Application Form, you should nominate the regular payment amount you would like to be paid each month. The minimum amount you can specify is \$500.

Payments will be made within five business days after the 15th business day of the month into your nominated bank account. You need to maintain a minimum balance of \$5,000. Should you wish to alter or stop receiving payments, the request must be made in writing, signed by the investor and received by us with at least 14 days notice.

We reserve the right to withdraw the Regular Withdrawal Plan by giving 30 days prior written notice to investors. The Regular Withdrawal Plan is not available to investors with margin lending.

## Personal Representative Facility

The Personal Representative Facility enables you to nominate another person in addition to yourself to authorise transactions on your behalf. This person could be your spouse, Financial Adviser or any other person you wish to nominate. On page 27 of the Application Form, you can set up the Personal Representative Facility.

# How the Fund operates

## Unit prices

Your investment in the Fund is represented by the issue to you of Foundation units. Each unit represents a proportional interest attributable to the value of net assets in the Fund relating to the Foundation units, having regard to the total number of Foundation units in the Fund. (Currently there is only one class of units in the Fund). A unit does not give you an interest in any underlying asset in the Fund. No certificates will be issued for investment in the Fund.

The initial unit price for units in the Fund is \$1.00. Subsequently, prices are based on the value of the investments in the Fund (which may rise and fall) less any liabilities of the Fund, both relating to the Foundation units and inclusive of transaction costs. Unit prices are calculated each business day and may change daily.

Current unit prices can be obtained by telephoning Client Service on 1300 791 896 Monday to Friday between 9.00am and 5.30pm Sydney time (excluding NSW public holidays) or on our website.

We have a policy for unit pricing discretions for the Fund for the purpose of ASIC Class Order 05/26. We may exercise certain discretions that could affect the unit prices of the Fund. The types of discretion we may exercise and in what circumstances we exercise the discretion are set out in our Unit Pricing Policy. The Unit Pricing Policy is available from us free of charge upon request to the Client Service Centre or on the All Star website.

## Distributions

Distributable income for the Fund generally will be paid half-yearly. Any distributable capital gain will be paid at least annually. In special circumstances, such as where there is a large withdrawal during a distribution period, we may change distribution periods by notice to investors.

Your distributions will be paid directly to your nominated financial institution account or reinvested at your election in the percentages specified in the Application Form.

If distributions are rejected by the nominated financial institution (for example, if the account has been closed) or if no nomination is made, all future distributions will automatically be reinvested in the Fund less any bank charges, until you advise us otherwise. These amounts usually will be reinvested within 10 business days after we receive notification from the financial institution.

Distributions are usually paid within four weeks after the end of a distribution period. The distributable income attributable to the Foundation units is payable to investors in the unit class on a proportionate basis, i.e. the investor's income entitlement is the portion of the Fund income attributable to the class, determined by the number of units held by the investor in the class over all issued units in the class.

As distributions are a component of the unit price, the unit price normally falls following a distribution. Investors who acquire units just before a distribution may receive some of their investment capital back immediately as income. Conversely, investors who dispose of units just before a distribution may effectively turn income into capital.

## Effective date of transactions

Correctly completed Application Forms and withdrawal requests that are received by us before 3.00pm Melbourne time will generally take effect on the same business day. You will receive the unit price applicable on the business day your transaction was effective.

An investor who submits an incomplete Application Form or withdrawal request will receive the unit price on the business day the complete Application Form or withdrawal request is received, provided it is received before 3.00pm Melbourne time.

If you elect to reinvest your distributions, the unit price will be the unit price applying on the last business day of the distribution period, adjusted for any distribution.

There may be some occasions when the processing of withdrawals and applications will be suspended, refer to page 13 for more details.

### Keeping you and your Financial Adviser informed

To keep you up to date with your investment, the following information will be provided to you and your Financial Adviser:

- Confirmation of investment, withdrawal (excluding the Regular Investment Plan, Regular Withdrawal Plan and regular monthly transactions);
- Periodic reports sent half-yearly with your distribution information – show distributions, additional investments, withdrawals and changes in the value of your investment in the Fund; and
- An annual tax statement.

Except as required by law, the above information may at our discretion be provided to you by email, through inclusion of the information on the All Star website or through other electronic means.

Your Financial Adviser may ask us to provide them with information about your investment and may also view your account details on line where available. It is our policy to supply this information unless you have instructed us in writing not to do so.

The taxation information set out below is a brief guide, based on our interpretation of current law at the date of this PDS. The levels and basis of tax may change in future. As the information is provided as a general overview of tax law only, we recommend that you seek professional tax advice specific to your circumstances before investing.

### Tax position of the Fund

All taxable income of the Fund including net capital gains is distributed to investors each year. This means that under existing Australian tax law, the Fund is not liable for income tax.

### Australian resident investors

#### Tax on distributions

Your share of Fund distributions for a financial year is part of your assessable income for the year and will be subject to tax at your marginal tax rate. This is the case whether or not your distribution is reinvested or if the distribution is received by you in the following financial year. Distributions can be made up of: income including dividends, interest and foreign income; net capital gains from the sale of Fund assets; and tax credits, such as franking credits attached to dividends and credits for tax paid on foreign income.

Subject to various anti-avoidance rules, you can use the credits distributed to you to reduce your tax liability on your share of Fund distributions or against your other assessable income. Excess franking credits may be refundable in certain circumstances.

#### Tax on withdrawals

Partial or full withdrawals from the Fund are treated as a disposal for tax purposes and you may be subject to capital gains tax (CGT). If you are an individual and you hold an investment in the Fund for more than 12 months, as an individual you may be entitled to reduce your CGT liability by 50% and other tax payers (for example, complying super funds), may be entitled to a 33% CGT concession.

A capital loss of an investor may be used to offset capital gains of the investor. The receipt of tax free or tax deferred distributions (such as returns of capital) may not need to be included in your tax return but will generally reduce the cost base of your investment upon withdrawal for capital gains purposes.

### Non Australian resident investors

We recommend that non-resident investors seek professional tax advice for their particular circumstances prior to investing in the Fund. Tax at the prescribed rate will be withheld from distributions to non-residents to the extent distributions comprise Australian sourced income or certain capital gains.

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

GST is not applied to the application for or withdrawal of units in the Fund. However, it is included in management costs. The Fund is entitled to claim Reduced Input Tax Credits ('RITC') from the Tax Office for 75% of the GST included in these costs.

### Tax File Numbers and Australian Business Numbers

You are not required to quote your Tax File Number (TFN) or, if you have one, your Australian Business Number (ABN). However, if you are an Australian resident for taxation purposes and a TFN or ABN is not provided or an exemption not claimed, we are required to withhold tax at the highest marginal rate plus Medicare levy from Fund distributions.

### Social Security

An investment in the Fund may affect your entitlement to a pension or other social security benefit. We suggest you seek advice from Centrelink or your Financial Adviser.

### Taxation of Financial Arrangements (TOFA) regime

The Tax Laws Amendment (Taxation of Financial Arrangements) Act 2008 (TOFA) may apply new tax rules to certain "financial arrangements". Subject to transitional rules, the TOFA rules apply only to arrangements entered into after the income year starting on or after 1 July 2010 or, if an election is made, 1 July 2009. We are currently working to ascertain the impact of the TOFA rules.

### Constitution

The Fund is constituted as a managed investment scheme by a constitution dated 3 November 2008. The constitution, together with the Corporations Act and the terms and conditions of this PDS, determine our relationship with investors. They set out the legal rights, duties and obligations of the responsible entity and the investors and include:

- the rights, interests and liabilities of investors;
- the duties and obligations of the responsible entity;
- investment, valuation and borrowing powers;
- fees and recoverable expenses;
- unit issue and withdrawal procedures;
- convening and conduct of investor meetings;
- a limitation of liability for investors to the unit price of units purchased (however, the effectiveness of this limitation has not been tested before superior courts);
- duration and termination of the Fund; and
- right to Fund distributions.

We may vary the constitutions if the variation does not adversely affect investors' rights. Where we reasonably believe that the variation will adversely affect investors' rights, the variation must be approved by 75% of votes cast by investors entitled to vote on the resolution.

The constitution allows for more than one class of units to be offered to investors. The rights of investors in different classes may vary. Currently there is only one class of units for the Fund. The Fund may have separate classes of units in the future.

This PDS contains a summary of some of these provisions and should, in this respect, be seen only as a guide. The constitution is lodged with ASIC and can be inspected at the business office of the responsible entity during business hours or we will send you a copy free of charge upon request.

### Cooling off period

You have the right to change your mind and withdraw your initial or subsequent investment (excluding the Regular Investment Plan) without penalty or fees. The 14 day cooling off period commences on the earlier of you receiving confirmation from us that your investment has been accepted or five business days after your investment is processed. If you wish to withdraw, you must contact us by writing to Fund Registry Services. If we receive your withdrawal request within the 14 day period, we will redeem your investment and refund it to you. The refund to you may be adjusted to reflect any changes in unit prices (positively or negatively) and any taxation costs we have incurred.

### Compliance plan

We have established a compliance plan for the Fund to ensure compliance with the Corporations Act in relation to managed investment schemes and the Fund's constitution. The compliance plan is designed to document compliance risks and the monitoring process, and provide a basis for compliance adherence and auditing. The compliance plan has been lodged with ASIC and is independently audited.

### Rights of the responsible entity

As responsible entity, we may rely on the advice of barristers or solicitors and information supplied by bankers, accountants, valuers and other experts.

We are not liable to any investor for making tax or similar payments. We may accept or decline all or part of an application without giving any reason. We are entitled to be indemnified out of the property of the Fund for any liability incurred by us in properly performing any of our duties or exercising any of our powers concerning the Fund or attempting to do so. We are not liable to investors in the Fund to any greater extent than the assets held in the Fund, except to the extent of any negligence, default, breach of trust or duty of the responsible entity.

### Right to change terms and conditions

We reserve the right to change the terms and conditions set out in this PDS by giving not less than 30 days written notice to investors in the Fund. If you withdraw before the date on which the change takes effect, you will not be bound by the changes.

### Replacement of responsible entity, product management and other activities

Ventura may retire effective on appointment of the new responsible entity. Any retirement and appointment of a replacement responsible entity must be in accordance with the constitution of the Fund and the Corporations Act.

Ventura has entered into an agreement with All Star Funds Management Limited (All Star) that All Star:

- may ask to call a meeting of investors offering to replace Ventura with All Star as the responsible entity for the Fund, subject to the Corporations Act requirements. The costs of any meeting would be borne by All Star, not the investors; and
- will undertake product management, development, marketing and other activities for the Fund. In turn, Ventura will act as responsible entity for the Fund.

Both Ventura and All Star will be remunerated for undertaking their respective activities. This remuneration is not an additional fee to those disclosed in this PDS on page 8.

### Related party interests

The Directors of the responsible entity may invest from time to time in the Fund on the same basis as other investors in the units, or class of units, of the Fund and may also hold shares in Ventura or All Star.

Professional Investment Holdings Limited is a shareholder of the responsible entity and of All Star. The Fund may use the services provided by companies related to the responsible entity on arm's length terms.

# Other information

## Fund accounts

We are responsible for maintaining the accounts of the Fund in accordance with the Corporations Act. The annual financial report of the Fund is audited and available to investors within three months of the end of a financial year at [www.allstarfunds.com.au](http://www.allstarfunds.com.au) or free of charge by calling Client Service on 1300 791 896 Monday to Friday between 9.00am and 5.30pm Sydney time (excluding NSW public holidays).

## Fund auditor

The Fund auditor audits the Fund and reports on the accounts and other matters as required by the Corporations Act. The responsible entity may replace the auditor of the Fund at any time. The auditor may also voluntarily retire by notice to us.

## Updated information

Investors can obtain a copy free of charge of the following documents:

- the annual financial report most recently lodged with ASIC for the Fund;
- any half-yearly financial report lodged with ASIC for the Fund after lodgement of the annual financial report and before the date of the PDS; and
- any continuous disclosure notices given by the Fund after lodgement of the annual report and before the date of this PDS.

We expect the Fund will be a disclosing entity under the Corporations Act and be subject to regular reporting and disclosure obligations. Copies of documents lodged with the ASIC for the Fund may be obtained from, or inspected at, an ASIC office.

Information about the Fund, such as Fund performance, is subject to change from time to time. You can obtain a copy of this information free of charge by contacting Client Service on 1300 791 896, Monday to Friday between 9.00am and 5.30 pm Sydney time (excluding NSW public holidays) or by referring to our website, [www.allstarfunds.com.au](http://www.allstarfunds.com.au).

Any information regarded as a material change to, or having a material impact on, a matter referred to in this PDS will be updated by the issue of a supplementary or replacement PDS as required by the Corporations Act.

## Alternative Form of Remuneration Register

The responsible entity maintains an Alternative Form of Remuneration Register. The Register outlines the alternative forms of remuneration which are paid by, and received from, the responsible entity. The Register is publicly available on request.

## Complaints resolution

If you have a complaint about any aspect of your investment, call Client Service on 1300 791 896 or write to:

All Star Funds  
Level 6  
2 Elizabeth Plaza  
North Sydney  
NSW 2060

We have a structured internal complaints procedure which reviews each complaint received. Every effort will be made to address your complaint. We generally will acknowledge your complaint within one business day and seek to resolve it within ten business days with a written response. If you are not satisfied with the response, you should refer your complaint to:

Financial Ombudsman Service  
Phone 1300 78 08 08  
Fax (03) 9613 6399  
Post GPO Box 3, Melbourne VIC 3001  
Email [info@fos.org.au](mailto:info@fos.org.au)  
Web [www.fos.org.au](http://www.fos.org.au)

This service has been established to resolve complaints firstly through enquiry and conciliation, and then, if this is unsuccessful, adjudication.

## Privacy

### Customer information

All personal information collected from you will be used and stored by us in accordance with our privacy policy, a copy of which is available on request by calling Client Service or on the website.

We may still be required by law to disclose your personal information.

### Monitoring enquiries

We may, at our discretion, monitor enquiries or tape-record transactions made by telephone. This is done for reasons of accuracy, security or service. If a recording is to be made, the customer will be notified via electronic 'beeps' being heard on the line.

### Fax instructions service conditions

We offer a fax instruction service which allows you to give instructions to us by fax on your investment. By using this service you release and indemnify us against all losses, damages and liabilities arising from any payment we make or action we take based on any instruction that we receive which contains your account name and a signature which appears to be yours or that of an authorised signatory on your account, even if not genuine.

You also agree that neither you nor anyone claiming through you has any claim against us or the Fund for these payments or actions. As there is a risk of fraudulent fax withdrawal requests by someone who has access to your investor number and signature, you need to exercise caution.

We reserve the right to add additional requirements to these fax conditions at any time.

## Anti-Money Laundering and Counter-Terrorism Financing Act

### Customer identification and verification

We are required to comply with the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth). This means that we need to obtain information and documentation verifying your identity (identification documentation) when you first apply to purchase units in the Fund and when undertaking transactions for your investments.

If you have a Financial Adviser, your Financial Adviser will ask to see either original or certified copies of your identification documentation and will retain copies of it. Your Financial Adviser may then send us copies of your identification documentation, together with your Application Form. If the Application Form is signed under Power of Attorney, we will also require a certified copy of the Power of Attorney and a specimen signature of the attorney.

If you are not investing through a Financial Adviser, we will ask to see either original or certified copies of your identification documentation which we will retain. We may need to ask you for additional information about yourself or anyone acting on your behalf, either when we are processing your application or at some stage in the future after you become an investor.

We may provide information that we hold about you or your investment to a relevant government authority.

### What identification documentation do I need?

The identification documentation that you need to provide will depend on whether you are an individual investor or a non-individual investor, such as a superannuation fund, trust or company. If we do not receive all the required identification documentation or we are unable to verify your identity, we may not be able to proceed with your investment. We will contact you as soon as possible if we require more information.

**AFSL** means an Australian Financial Services Licence.

**ASIC** means the Australian Securities and Investments Commission.

**benchmark** means an index or other market measurement investors can use to assess the risk and performance of the Fund. For the Fund the benchmark is the S&P/ASX Small Ordinaries Accumulation Index.

**business day** means a day other than a Saturday or Sunday on which banks are open for general banking business in Melbourne and any reference to time unless expressly indicated otherwise means that time in Melbourne (where the Registry is located).

**dollars** or a reference to currency means Australian dollars.

**Fund** means the IAM Small Companies Fund.

**Fund value** means the total value of assets held by the Fund.

**hurdle** means the minimum return necessary of the Fund for the investment manager to be paid a performance fee. The hurdle is tied to a benchmark, being the S&P/ASX Small Ordinaries Accumulation Index, plus the investment manager's fee. If, for example, the hurdle rate in practice was equal to an amount being 5%, and the Fund returns 10%, performance fees would apply only to the 5% above the hurdle at the specified percentage of the Fund value.

**Indirect Cost Ratio** or ICR means the total management costs for the Fund, expressed as a percentage of Fund value as calculated for a financial year, excluding any costs an investor would incur if investing directly in the assets of the Fund.

**Minimum Annual Fee** is equal to \$51,250 less 0.21% of Fund value, both per annum and as calculated daily inclusive of the net effect of GST. The Minimum Annual Fee will apply until the Fund reaches \$25 million in Fund value.

**responsible entity** means Ventura Investment Management Ltd.

**return** means the amount of money received from an investment in the Fund, usually expressed as a percentage.

**transaction cost or buy-sell spread** means an amount paid into the Fund representing the costs of purchase or sale of the assets of the Fund to allow these costs to be borne by the investors initiating the Fund transaction through the issue or withdrawal of units, rather than being borne by the investors generally.

**unit** means a Foundation unit.

**Ventura** means Ventura Investment Management Ltd.

**volatility** means the amount or percentage by which an asset price rises or falls over a time period.

This PDS will help you to understand the Fund and to decide whether it is appropriate to your needs. Please ensure that you have read and understood this PDS.

Please use a black or blue pen. Please complete in CAPITAL LETTERS.

### Step 1

Complete the Applicant Details section of the Application Form.

### Step 2

Complete the Direct Debit Request section of the Application Form for the initial or additional payment by Direct Debit and the Regular Investment Plan.

### Step 3

Forward your Application Form and cheque made payable to IAM Small Companies Fund – a/c (name of applicant) drawn on an Australian bank account or forward your Application Form and Direct Debit Request to:

**IAM Small Companies Fund  
Registry Services  
GPO Box 1406  
MELBOURNE VIC 3001**

**Fax:** 1300 365 601

or payments can be made by EFT directly to the custodian's account as follows:

**Bank:**  
National Australia Bank Limited

**BSB No:**  
083-043

**Account No:**  
87-072-5945

**Account Name:**  
National Nominees Limited Office Clearing Account  
Ventura Investment Management Ltd Application Account

If your payment is made by EFT, please tick the Direct Credit box under the heading Investment Method on page 23 of the Application Form.



This page has been left blank intentionally

## 2. Investment Details

Initial/Additional Amount \$	Regular Investment Plan \$	Regular Withdrawal Plan \$	Distribution method (tick preferred)*	
			Reinvest %	Pay to bank %
			<input type="checkbox"/>	<input type="checkbox"/>

All amounts must be in Australian dollars.

\*Distributions can be split by percentage between Reinvest and Pay to bank. If left blank, distributions will be reinvested.

### Investment Method

This investment is being made by

Cheque     Direct Debit     Direct Credit

Refer to page 20 for details of the Custodian's account. For cheques, make payable to IAM Small Companies Fund – a/c (applicant's name). The cheque should be drawn on an Australian bank account. For Direct Debit and Regular Investment Plan, please ensure you have also completed the Direct Debit Request on page 31 and have cleared funds available.

### Distribution / Withdrawal Bank Account Details

Enter Australian Bank account details for Distribution/Withdrawal proceeds (this section must be completed)

Name of Institution

Branch

Account Name

BSB Number                      Account Number

### Tax File Number or Australian Business Number

Enter Tax File and/or Australian Business Number (this section must be completed)

#### Applicant 1

Applicant Name

Tax File Number

Australian Business Number

Reason for TFN exemption (if applicable)

#### Applicant 2

Applicant Name

Tax File Number

Australian Business Number

Reason for TFN exemption (if applicable)

Note: The collection of TFN information is authorised and its use and disclosure are strictly regulated by tax laws and the Privacy Act.

This page has been left blank intentionally



This page has been left blank intentionally

## 6. Personal Representative Facility

For more information on the personal representative facility refer to the PDS. Do you wish to appoint a personal representative? (Tick one)

Yes  No

### Personal Representative's Details

Title	<input type="text"/>
Given Name(s)	<input type="text"/>
Surname	<input type="text"/>
Street Number	<input type="text"/>
Street Name	<input type="text"/>
Suburb	<input type="text"/>
State	<input type="text"/>
Country	<input type="text"/>
Postcode	<input type="text"/>
Telephone (home)	<input type="text"/>
Telephone (business)	<input type="text"/>
Telephone (mobile)	<input type="text"/>
Fax	<input type="text"/>
Email Address	<input type="text"/>

In signing, I/we acknowledge that I/we understand that by appointing a personal representative, Ventura Investment Management Ltd (the responsible entity) will act on their instructions as if those instructions were made by me /us.

### Applicant 1

Date

### Applicant 2 (if joint holders)

Date

Personal Representative's signature

Date

## 7. Instructions for Joint Owners

Instructions to be signed by:

All owners or

Any owner or

Name of nominated owner

This nomination applies to future instructions only. All owners are required to sign the Application Form.

This page has been left blank intentionally

## 8. Declaration and Signatures

I/we declare and agree that:

- I/we have read this PDS to which this application applies and have received and accepted the offer in it;
- My/our application is true and correct;
- I am/we are bound by any terms and conditions contained in this PDS and the provisions of the constitution of the Fund that I am/we are invested in as amended from time to time;
- I/we have legal power to invest;
- My/our Financial Adviser will receive any payment detailed in this application form via withdrawal of units from my/our investment;
- If this is a joint application, each of us agrees that our investment is as joint tenants. Each of us is able to operate the account and bind the other to any transaction including investments or withdrawals by any available method;
- If investing as trustee on behalf of a super fund or trust I/we confirm that I am/we are acting in accordance with my/our designated powers and authority under the trust deed. In the case of a super fund, I/we also confirm that it is a complying fund under the Superannuation Industry (Supervision) Act; and
- I/we acknowledge that none of Ventura or any related company or the investment manager or other external service provider guarantees the repayment of capital or the performance of the Fund or any particular rate of return from the Fund.

### Applicant 1

Date

### Applicant 2 (if joint holders)

Date

### Company Seal (if applicable)

Date

If this application is signed under Power of Attorney, the Attorney declares that he/she has not received notice of revocation of that power (a certified copy of the Power of Attorney should be submitted with this application unless we have already sighted it).

Sole signatories confirm that they are signing under section 127 of the Corporations Act, 2001.

Please send the completed form and the following Direct Debit Request where taking part in the Regular Investment Plan to:

IAM Small Companies Fund  
 Registry Services  
 GPO Box 1406  
 MELBOURNE VIC 3001

**This application may not be circulated unless attached to the PDS.**

The following is your Direct Debit Service Agreement with Ventura Investment Management Ltd. This agreement is designed to explain what your obligations are when undertaking a Direct Debit arrangement with us. It also details what our obligations are to you as your Direct Debit provider.

We recommend you keep this agreement in a safe place for future reference. It forms part of the terms and conditions of your Direct Debit Request and should be read in conjunction with your DDR form.

### Definitions

**account** means the account held at your financial institution from which we are authorised to arrange for funds to be debited.

**agreement** means the Direct Debit Request Service Agreement between you and us.

**banking day** means a day other than a Saturday or Sunday or a public holiday listed throughout Australia.

**debit day** means the day that payment by you to us is due.

**debit payment** means a particular transaction where a debit is made.

**direct debit request** means the Direct Debit Request between us and you.

**us or we** means Ventura Investment Management Ltd (the Debit User) you have authorised by signing a direct debit request.

**you** means the customer who signed the Direct Debit Request.

**your financial institution** means the financial institution nominated by you on the DDR at which your account is maintained.

### 1. Debiting your account

- 1.1 By signing a Direct Debit Request, you have authorised us to arrange for funds to be debited from your account. You should refer to the Direct Debit Request and this agreement for the terms of the arrangement between us and you.
- 1.2 We will only arrange for funds to be debited from your account as authorised in the Direct Debit Request.
- 1.3 If the debit day falls on a day that is not a banking day, we may direct your financial institution to debit your account on the following banking day. If you are unsure about which day your account has or will be debited you should ask your financial institution.

### 2. Amendments by Us

We may vary any details of this agreement or a Direct Debit Request at any time by giving you at least 14 days written notice.

### 3. Amendments by you

You may change, stop or defer a debit payment, or terminate this agreement by providing us with at least 14 days notification by writing to:

Ventura Investment Management Ltd  
Level 6, 2 Elizabeth Plaza,  
North Sydney NSW 2060

or by telephoning us on 1300 791 896 or arranging it through your financial institution.

### 4. Your obligations

- 4.1 It is your responsibility to ensure that there are sufficient cleared funds available in your account to allow a debit payment to be made in accordance with the Direct Debit Request.
- 4.2 If there are insufficient cleared funds in your account to meet a debit payment:
  - (a) you may be charged a fee and/or interest by your financial institution;
  - (b) you may also incur fees or charges imposed or incurred by us; and
  - (c) you must arrange for the debit payment to be made by another method or arrange for sufficient cleared funds to be in your account by an agreed time so that we can process the debit payment.
- 4.3 You should check your account statement to verify that the amounts debited from your account are correct.
- 4.4 If we are liable to pay goods and services tax (GST) on a supply made in connection with this agreement, then you agree to reimburse us.

### 5. Dispute

- 5.1 If you believe that there has been an error in debiting your account, you should notify us directly on 1300 791 896 and confirm that notice in writing with us as soon as possible so that we can resolve your query quickly. Alternatively you can take it up with your financial institution directly.
- 5.2 If we conclude as a result of our investigations that your account has been incorrectly debited we will respond to your query by arranging for your financial institution to adjust your account (including interest and charges) accordingly. We will also notify you in writing of the amount by which your account has been adjusted.
- 5.3 If we conclude as a result of our investigations that your account has not been incorrectly debited, we will respond to your query by providing you with reasons and any evidence for this finding in writing.

### 6. Accounts

You should check:

- (a) with your financial institution whether direct debiting is available from your account, as direct debiting is not available on all accounts offered by financial institutions;
- (b) your account details which you have provided to us are correct by checking them against a recent account statement; and
- (c) with your financial institution before completing the Direct Debit Request if you have any queries about how to complete the Direct Debit Request.

### 7. Confidentiality

- 7.1 We will keep any information (including your account details) in your Direct Debit Request confidential. We will make reasonable efforts to keep any such information that we have about you secure and to ensure that any of our employees or agents who have access to information about you do not make any unauthorised use, modification, reproduction or disclosure of that information.
- 7.2 We will only disclose information that we have about you:
  - (a) to the extent specifically required by law; or
  - (b) for the purposes of this agreement (including disclosing information in connection with any query or claim).

### 8. Notice

- 8.1 If you wish to notify us in writing about anything relating to this agreement, you should write to Ventura Investment Management Ltd, Level 6, 2 Elizabeth Plaza, North Sydney NSW 2060.
- 8.2 We will notify you by sending a notice in the ordinary post to the address you have given us in the Direct Debit Request.
- 8.3 Any notice will be deemed to have been received on the third banking day after posting.



This page has been left blank intentionally

### **Client Service**

Telephone: 1300 791 896

(Monday to Friday between 9.00am and 5.30pm Sydney time, excluding NSW public holidays)

### **Registry Service**

IAM Small Companies Fund

Registry Service

GPO Box 1406

MELBOURNE VIC 3001

Fax: 1300 365 601

### **Website**

[www.allstarfunds.com.au](http://www.allstarfunds.com.au)

