



MAPLE-BROWN ABBOTT

INVESTMENT MANAGERS SINCE 1984

Maple-Brown Abbott

Australian Geared Equity Fund

ARSN: 098 112 193

Product Disclosure Statement (PDS)

1 July 2019



Read this PDS for the investment type you are considering investing in:

Fund name	Investment type	APIR
Maple-Brown Abbott Australian Geared Equity Fund	Wholesale	ADV0078AU
Maple-Brown Abbott Australian Geared Equity Fund	Retail	ADV0077AU

The investment type is a reference to:

- where you invest in the Fund through the **Wholesale investment type**, you will receive **wholesale units (wholesale class)**
- where you invest in the Fund through the **Retail investment type**, you will receive **ordinary units (ordinary class)**

Contents

1	About Maple-Brown Abbott Limited	2
2	How the Maple-Brown Abbott Australian Geared Equity Fund works	2
3	Benefits of investing in the Maple-Brown Abbott Australian Geared Equity Fund	3
4	Risks of managed investment schemes	4
5	How we invest your money	4
6	Fees and costs	5
7	How managed investment schemes are taxed	7
8	How to apply	8
9	Other information	8



Important information

This Product Disclosure Statement (PDS) is a summary of significant information about the Maple-Brown Abbott Australian Geared Equity Fund ARSN 098 112 193 (Fund) and contains a number of references to important information in the Maple-Brown Abbott Funds: Additional Information Booklet (AIB). The AIB forms part of this PDS and is available at maple-brownabbott.com.au/funds. You should consider and read both documents before making a decision to invest in the Fund.

The information in this PDS is general information only and does not take into account your personal financial situation or needs. You should obtain financial advice tailored to suit your personal circumstances before investing.

Investments in the Fund can only be made by investors receiving the PDS (including an electronic version) in Australia. If you receive this PDS outside Australia, you should seek professional advice about restrictions on investing in the Fund.

Responsible Entity and Issuer

Maple-Brown Abbott Limited
 ABN 73 001 208 564
 AFSL 237296

Contact details

Investors

Maple-Brown Abbott Limited
 Level 31, 259 George Street
 SYDNEY NSW 2000

Tel: 02 8226 6200
 +61 2 8226 6200 (international)

Email: invest@maple-brownabbott.com.au

Website: maple-brownabbott.com.au

Advisers

Ironbark Asset Management Pty Limited (Ironbark)

Tel: 1800 034 402

Email: adviser.services@ironbark.com

1 About Maple-Brown Abbott Limited

Maple-Brown Abbott Limited (**Maple-Brown Abbott**) is the Responsible Entity (**RE**) of the Fund and the issuer of this PDS.

Maple-Brown Abbott is responsible for operating the Fund and ensuring compliance with the Fund's Constitution (**Constitution**) and legislation, as well as establishing, implementing and monitoring the Fund's investment objective and strategy.

We are a privately owned investment management company, based in Sydney.

We specialise in the management of investment portfolios across Australian equities, Asia Pacific ex-Japan equities and global listed infrastructure securities.

We also manage a number of multi-asset portfolios that have exposure to Australian and international equities, Australian fixed interest, real estate investment trusts (**REITs**), alternative assets and cash. We managed \$14.9 billion as at 31 May 2019.

Our investment philosophy has not changed since we were established in 1984. We are value investors and aim to achieve attractive returns for our clients over the long term.

We place significant emphasis on retaining our boutique heritage as this ensures objective decision making and a strong alignment of interest with our clients.

We have been a signatory to the United Nations Principles for Responsible Investment since 2008.

2 How the Maple-Brown Abbott Australian Geared Equity Fund works

When you invest in the Fund, your money is pooled with money from other investors and with money the Fund borrows, which we then use to buy investments to manage on behalf of all investors. Currently, the Fund gains exposure to Australian equities by purchasing units in the Maple-Brown Abbott Sharemarket Fund (**SMF**). The Fund is divided into units, and we keep a record of the number of units you hold. When you invest in the Fund under this PDS you will be invested in either ordinary or wholesale units.

You can increase your unitholding by making additional investments or reinvesting distributions, or decrease your unitholding by making withdrawals.

How and when we calculate unit prices

We generally calculate unit prices (to four decimal places) on each Sydney Business Day (**Business Day**).

We calculate the net asset value per unit for each class by dividing the share of the net asset value of the Fund for that class by the number of units on issue for that class. The Fund's net asset value is the gross value of the assets less any liabilities (including borrowings and other financing activities (Borrowings) but excluding withdrawal liabilities).

Unit prices will vary as the market value of the underlying investments rises and falls. The daily unit price also reflects investment income, management costs and any applicable taxes.



Application prices for each class are calculated by adding an allowance for the buy-sell spread to the net asset value per unit. Withdrawal prices for each class are calculated by subtracting an allowance for the buy-sell spread from the net asset value per unit. Please see Section 6 for more information on the buy-sell spread.

How we value the Fund

All listed securities (including derivatives) whether held directly or indirectly, are valued using their market value, which is the last quoted sales price on the relevant exchange.

Unlisted unit trusts are valued using the latest net asset value of the units held.

When a market price for a security, whether held directly or indirectly, held by the SMF is not readily available, we use valuations from independent experts or our own valuation models that can be independently verified.

Liabilities include Borrowings (including other financing activities), accrued fees and expenses, all valued at cost.

Any discretion used in determining unit prices is done so in line with our policy. You can request a copy of this policy free of charge by contacting us on 02 8226 6200.

How we value your investment

We value your investment by multiplying the number of units you hold by the current withdrawal price for your class.

Applications and withdrawals

All our investor transaction forms are available at maple-brownabbott.com.au/funds or by contacting us on 02 8226 6200.

If you are applying or withdrawing indirectly through an Investor Directed Portfolio Service (IDPS), IDPS-like scheme, or a nominee or custody service (collectively referred to as an IDPS), you must follow the application or withdrawal process as advised by the operator of that service.

Applications

The minimum amount for initial applications is \$1,500 for the ordinary class (or \$20,000 for the wholesale class).

These minimums may be varied at our discretion and we may decline an application for units in the Fund without giving a reason.

If we receive your valid application request and investment amount by 2pm Sydney time on a Business Day, we will process it using the relevant application price for that day.

All valid application requests and investment amounts received after 2pm Sydney time will be processed the next Business Day using that day's application price for the relevant class. Application monies are held in a non-interest bearing bank account.

Withdrawals

The minimum withdrawal amount is \$500 for the ordinary class (or \$10,000 for the wholesale class) unless it is for the entire balance of your investment in the Fund. If your balance falls below the minimum withdrawal amount we may compulsorily redeem your unitholding in the Fund and pay the balance to you, less any taxes, duties or other applicable costs.

If we receive your valid withdrawal request by 2pm Sydney time on a Business Day, we will process it using the relevant withdrawal price for that day.

All valid withdrawal requests received after 2pm will be processed the next Business Day using that day's withdrawal price for the relevant class.

You will generally receive your withdrawal amount less any taxes, duties or other applicable costs, within five (5) Business Days. All withdrawals are paid in Australian dollars and proceeds that have not yet been paid do not earn interest. Cheques and bank accounts must be in the name(s) of the investor(s). We will not pay withdrawal proceeds to a third party.

There may be some circumstances, such as withdrawals of larger amounts or a suspension of withdrawals, where you won't receive your withdrawal proceeds within five (5) Business Days.

Receiving distributions

You will generally be paid the share in any net income of the Fund available for distribution, based on the units that you hold at the end of the distribution period.

Net income comprises dividends received, and interest, net realised capital gains and other income derived by the Fund, less fees and expenses (including borrowing costs and other financing costs). Any return of capital may be in addition to, or instead of, distributing the net income.

Distributions are generally paid half yearly and you will usually receive your distribution within ten (10) Business Days after the end of the distribution period.

Distributions may be adjusted due to the timing of when income is, or is expected to be, received by the Fund. There may be times when the Fund does not derive enough income in a distribution period to pay a distribution.

You can choose to have your distribution reinvested into the Fund or paid into your bank account.

If you choose to have it reinvested, your distribution will be reinvested on the first day after each quarter. The reinvestment price will be the net asset value per unit from the last day of the quarter, adjusted to exclude the income due to be distributed.

Please see Section 7 for information on the taxation of distributions.

If you are invested in the Fund through an IDPS, distributions will be paid to the operator of that service. You should refer to the documents provided by that operator for information regarding how and when your distributions will be paid to you.

Indirect investors

We authorise the use of this PDS as disclosure to investors who wish to access the Fund indirectly through an IDPS. Reference to 'you' or 'your' in this PDS is generally a reference to a unitholder in the Fund, but may also refer to indirect investors investing through an IDPS as the context requires.

When you invest in the Fund through an IDPS, you are not a direct investor. The IDPS operator invests on your behalf and so has the rights of a direct investor. You should refer to the IDPS operator and its disclosure documents to understand your rights and interests.



You should read the important information about applications and withdrawals before making a decision. Go to **Section 2 How the Funds works** in the 'Maple-Brown Abbott Funds: Additional Information Booklet' located at maple-brownabbott.com.au/funds. This information may change between the time when you read this PDS and the day when you acquire the product.

3 Benefits of investing in the Maple-Brown Abbott Australian Geared Equity Fund

Key features

The Maple-Brown Abbott Australian Geared Equity Fund is an actively managed fund that borrows money to gear the portfolio, which provides the potential to magnify long term capital growth or loss.

Currently, the Fund gains exposure to Australian equities by purchasing units in the SMF which holds, directly or indirectly, Australian-listed stocks.

The underlying stocks are selected for their perceived fundamental value and the potential for capital growth over the long term using our proven value investment philosophy and disciplined investment process.



Our bottom-up stock selection approach is based on detailed analysis prepared by our experienced investment team, with all investment decisions based on research prepared using internal forecasts and analysis.

Our focus is on those stocks that we believe are priced at an attractive discount to our assessment of their underlying value.

Key benefits

The Fund offers a number of significant benefits:

- **Investment expertise** – the opportunity to invest in a fund managed by a dedicated and experienced team
- **Investment return**– the potential to provide investment returns in line with the investment objective

- **Investment growth and distributions** – access to an Australian share portfolio that aims to deliver long term capital growth, along with the potential to receive half-yearly distributions
- **Broader investment opportunities** – access to investment opportunities and risk management techniques not generally available to individual investors
- **Access to franked dividends** – the potential for tax-effective income through access to franked dividends
- **Regular reporting** – comprehensive investment reports and transaction, distribution and annual tax statements.

i You should read the important information about online access before making a decision. Go to **Section 3 Benefits of investing in the Funds** in the ‘Maple-Brown Abbott Funds: Additional Information Booklet’ located at maple-brownabbott.com.au/funds. This information may change between the time when you read this PDS and the day when you acquire the product.

4 Risks of managed investment schemes

All investing involves risks, with these risks varying depending on the investment strategy and underlying mix of assets within the managed fund. Generally, investments with a higher expected return are of higher risk and volatility.

Risk can be managed, but it cannot be completely eliminated, so it is important to understand that:

- The value of your investment and level of returns may vary
- Past performance is not an indicator of future performance
- Returns are not guaranteed and you may lose money on your investment
- There is no guarantee that you will receive a distribution
- Laws affecting your investment in the managed fund may change over time.

Your appetite for risk will depend on a range of factors, including your age, investment timeframe, other investments you hold and your risk tolerance.

The significant risks for the Fund include:

Risk	Description
Gearing risk	The Fund borrows money to gear its investment exposure. Gearing will magnify both gains and losses made by the Fund relative to an ungeared portfolio.
Specific investment risk	The risk that an investment will fall in value due to factors such as changes in an underlying company’s operations, management, profitability or business environment.
Market risk	The risk that an investment will fall in value due to changes in market sentiment or economic, technological, political or legal conditions.
Currency risk	The risks associated with currency movements. Many companies have earnings in foreign currencies. As currencies change in value relative to the Australian dollar, the earnings of the underlying company can change.
Interest rate risk	The risk that changes in interest rates have a negative impact on the Fund’s borrowing costs and other financing costs and, directly or indirectly, on investment valuations. For example, if rates rise, the Fund’s borrowing costs and other financing costs increase. Similarly a company’s borrowing costs and other financing costs can increase, causing its profits to decline.
Asset class risk	The risks associated with a particular asset class. For example, Australian equities generally have a higher risk than fixed interest investments and cash because equities have exhibited relatively high levels of volatility in the past.
Borrowing risk	Currently the Fund’s borrowings are supported by a ‘negative pledge’ over the assets of the Fund. This prohibits us from granting security over the assets of the Fund. If the Fund invests in securities directly, then we may decide to replace the current borrowing arrangement with a securities lending arrangement where the title and ownership of part of the assets of the Fund are transferred to the financing counterparty in exchange for collateral in the form of cash. In this situation, there is a risk that the counterparty does not return equivalent assets or value to the Fund (for example, because of insolvency). This may have a negative impact on the value of your investment.

i You should read the important information on additional risks before making a decision. Go to **Section 4 Risks of managed investment schemes** in the ‘Maple-Brown Abbott Funds: Additional Information Booklet’ located at maple-brownabbott.com.au/funds. This information may change between the time when you read this PDS and the day when you acquire the product.

5 How we invest your money

Maple-Brown Abbott Australian Geared Equity Fund



Description	The Fund borrows money to gear (or leverage) its investment exposure. The use of gearing provides the potential for magnified long term capital growth or loss. The Fund's strategy is implemented by investing in the actively managed SMF. The SMF's strategy is to invest in Australian-listed equities, including REITs, or in the Maple-Brown Abbott Small Companies Trust (SCT), which we manage or in unlisted equities provided that they are expected to be listed within 3 months from the date of investment. The strategy is to hold, typically, at least 30 stocks. If the Fund's strategy is implemented by investing in securities directly, then we may lend these securities as part of that strategy.		
Investment objective	The Fund aims to outperform (before fees) the Benchmark over rolling four-year periods.		
Benchmark	S&P/ASX 200 Index (Total Returns)		
Investment guidelines	Gearing	The gearing ratio is targeted to be between 40% and 60%. The gearing ratio is defined as Borrowings divided by total assets, whether held directly or indirectly.	
	Stock	Exposure to a single stock should not be greater than 5% above its weighting in the Benchmark.	
	SCT	Exposure to the SCT should not be greater than 5% of either the market value of the SMF, or the Fund if held directly.	
Asset allocation ranges		Minimum %	Maximum %
	Australian equities	95	100
	Cash*	0	5
	*Currently refers to cash in the SMF or the Fund if held directly.		
Risk level	Very high Very high risk of short term loss. (and higher than an ungeared equivalent equity fund)		
Investor profile	The Fund is suitable for investors who: <ul style="list-style-type: none"> – want to invest for the long term (4 years +) – have a very high risk tolerance (gearing magnifies market movements) – want to gain exposure to Australian equities, who seek income, franking credits and long term capital growth through an active, bottom-up value investment style consistent with our investment philosophy. 		
Minimum suggested timeframe	4 years or longer		
Fund performance	The latest Fund performance is available at maple-brownabbott.com.au/funds .		
Changes to Fund details	We can make changes to the Fund at any time, in some cases without prior notice to you. Please refer to Section 9 of this PDS and the AIB for further information.		

You should consider the likely investment return, risk level, and your investment timeframe before choosing to invest in the Fund.



You should read the important information about our investment philosophy and process, our environmental, social, ethical and governance considerations, labour standards and borrowing powers before making a decision. Go to **Section 5 How we invest your money** in the 'Maple-Brown Abbott Funds: Additional Information Booklet' located at maple-brownabbott.com.au/funds. This information may change between the time when you read this PDS and the day when you acquire the product.

6 Fees and costs



Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your 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 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.moneysmart.gov.au) has a managed funds fee calculator to help you check out different fee options.

This section provides information about the fees and other costs that you may be charged by the Fund. These fees and costs may be deducted from your investment, from the returns on your investment or from the Fund's assets as a whole. **Additional fees may also be payable by you to a financial adviser.** If you consult a financial adviser you should refer to the Statement of Advice for details. Information about tax is set out in Section 7 of this PDS. You should read all the information about fees and costs because it is important to understand their impact on your investment. You can also use this information to compare the fees and costs with those of other managed funds.



Type of fee or cost ¹	Amount
Fees when your money moves in or out of the Fund	
Establishment fee	Nil
Contribution fee ²	Nil
Withdrawal fee ²	Nil
Exit fee	Nil
Management costs^{3,4,5,6}	
The fees and costs for managing your investment	2.05% p.a. of the ordinary class's share of the total asset value of the Fund ⁷ 1.03% p.a. of the wholesale class's share of the total asset value of the Fund ⁷

- 1 Unless otherwise stated, all fees quoted in this PDS are quoted on a GST inclusive basis and net of any applicable Reduced Input Tax Credits.
- 2 An allowance for the buy-sell spread applies to applications and withdrawals. Refer to information below about the buy-sell spread.
- 3 Management costs are comprised of the base fee, indirect costs and recoverable expenses. The base fee is the fee that we charge, as at the date of this PDS. All other components of management costs are based on the indirect costs and recoverable expenses incurred during the financial year ended 30 June 2019. For more information on the base fee, indirect costs and recoverable expenses please refer to the information below about the base fee and to Section 6 in the AIB located at maple-brownabbott.com.au/funds.
- 4 The current management costs are available at maple-brownabbott.com.au/funds.
- 5 Fees may be negotiated if you are a wholesale investor as defined in the *Corporations Act 2001 (Cth)*.
- 6 Adviser service fees may also apply. Refer to Section 6 in the AIB located at maple-brownabbott.com.au/funds.
- 7 The Fund charges a management fee of 2.05% p.a. of the ordinary class's (or 1.03% p.a. for the wholesale class's) share of the 'total assets' of the Fund; that is, all assets in the Fund including assets acquired from Borrowings. If comparing on a net asset basis, assuming a gearing ratio of between 40% and 60%, this would represent a management fee of between 3.42 – 5.13% p.a. for the ordinary class (or 1.71 – 2.56% p.a. for the wholesale class).

Example of annual fees and costs for the Fund

This table gives an example of how the fees and costs of the Fund can affect your investment over a one year period. You should use this table to compare this product with other managed funds.

Example	Balance of \$50,000 with a contribution of \$5,000 during the year	
Contribution fees	Nil	For every additional \$5,000 you put in you will be charged \$0 ¹ .
PLUS Management costs	2.05% for the ordinary class (or 1.03% for the wholesale class) ²	And, for every \$50,000 you have in the Fund you'll be charged between \$1,708 and \$2,563 for the ordinary class (or \$854 and \$1,281 for the wholesale class) each year, depending on the level of gearing. ³
EQUALS Cost of Fund		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees between \$1,708 and \$2,563 for the ordinary class (or \$854 and \$1,281 for the wholesale class) depending on the level of gearing. ^{3,4,5} What it costs you will depend on the fees you negotiate.

- 1 An allowance for the buy-sell spread applies to applications and withdrawals. Refer to information below about the buy-sell spread.
- 2 For more information on the base fee, indirect costs and recoverable expenses please refer to the information below about the base fee and to Section 6 in the AIB located at maple-brownabbott.com.au/funds.
- 3 The Fund charges a management fee of 2.05% p.a. of the ordinary class's (or 1.03% p.a. for the wholesale class's) share of the 'total assets' of the Fund; that is, all assets in the Fund including assets acquired from Borrowings. If comparing on a net asset basis, assuming a gearing ratio of between 40% and 60%, this would represent a management fee of between 3.42 – 5.13% p.a. for the ordinary class (or 1.71 – 2.56% p.a. for the wholesale class).
- 4 This example assumes the \$5,000 contribution occurs at the end of the year and so management costs are calculated using the \$50,000 balance only.
- 5 Adviser service fees may also apply.

Additional explanation of fees and costs**Base fee**

The base fee is the fee we charge for managing the assets and overseeing the operations of the Fund. The base fee is currently 2.00% p.a. (exclusive of GST) for the ordinary class (or 1.00% p.a. (exclusive of GST) for the wholesale class) of their respective share of the net asset value of the Fund, which is approximately 2.05% p.a. (inclusive of GST) for the ordinary class (or 1.03% p.a. (inclusive of GST) for the wholesale class). The maximum base fee permitted under the Fund's Constitution is 3.00% p.a. (exclusive of GST) of the Fund's gross value.

Contribution (or entry) fees and switching fees

The Constitution limits the maximum contribution (or entry) fee and the maximum switching fee which can be charged to 6% (excluding GST) of the relevant amount. We do not intend to charge either of these fees.

Transactional and operational costs and buy-sell spread**Net transactional and operational costs**

Transactional and operational costs represent the costs from the Fund's investing activities. These costs are in addition to the management costs referred to above. Both the management costs and transactional and operational costs are reflected in the unit price and impact the performance of the Fund.

Net transactional and operational costs



Total transactional and operational costs	2.95% ¹	This is the transactional and operational costs and includes brokerage, settlement costs, borrowings costs (including interest and loan fees), clearing costs, stamp duty and other taxes on an investment transaction. It also includes the difference between the price paid for purchasing securities and the price that would be payable if selling securities (i.e. bid/ask spread).
LESS Buy-sell spread recovery	0.07% ¹	Represents the amount charged to investors that relates to investor applications and withdrawals.
EQUALS Net transactional and operational costs	2.88% ¹²	This is the transactional and operational costs that result from our investing activities that do not relate to investor applications and withdrawals (i.e. buy-sell spread recovery). They are borne by the Fund and reflected in the unit price and impact the performance of the Fund.

- 1 Based on the estimated costs incurred during the financial year ended 30 June 2019, expressed as a percentage of the average Fund net asset value.
 2 Transactional and operational costs may vary from year to year. We recalculate the estimated net transactional and operational costs each year or if there has been a significant change in net transactional and operational costs. Based on several prior years' experience, we expect net transactional and operational costs to generally fall within a range of between 2.81% and 4.50% p.a. The current estimated net transactional and operational costs are available at maple-brownabbott.com.au/funds.

Buy-sell spread

The buy-sell spread is an additional cost to you. This ensures existing investors are not disadvantaged due to the costs associated with buying or selling the Fund's investments as a result of applications and withdrawals.

We recalculate the buy-sell spread each year or if there has been a significant change in the costs of buying and selling the Fund's investments.

At the date of this PDS, the Fund's buy-sell spread is 0.68%. This means the application price for each class is the net asset value per unit for that class plus 0.34% and the withdrawal price for each class is the net asset value per unit for that class less 0.34%. This is retained by the Fund and is not paid to us. No additional buy-sell spread is paid by you as a result of the investment in the SMF.

In dollar terms, the allowance for transaction costs for an application of \$10,000 and a withdrawal of \$10,000 is \$34 in each case.

All current buy-sell spreads are available at maple-brownabbott.com.au/funds.

Fee changes

We have the right to change the Fund's fees, provided you have been given at least 30 days prior written notice of any material increases and subject to any limits in the Fund's Constitution. We are not required to notify you of any changes in government fees or charges payable out of the Fund that are not materially adverse. All estimates of fees in this Section 6 are based on information available as at the date of this PDS. You should refer to maple-brownabbott.com.au/funds from time to time for any updates which are not materially adverse to investors.

Indirect investors

If you are investing through an IDPS, fees and expenses applicable to the IDPS (as set out in the IDPS offer document or client agreement) are payable in addition to the fees and expenses in this PDS.

We may pay product access payments to certain IDPS operators to have the Fund on their investment menus. These payments are paid by us out of our base fee, not the Fund, and are not an additional cost to you.

i You should read the important information on fees and costs before making a decision. Go to **Section 6 Fees and costs** in the 'Maple-Brown Abbott Funds: Additional Information Booklet' located at maple-brownabbott.com.au/funds. This information may change between the time when you read this PDS and the day when you acquire the product.

7 How managed investment schemes are taxed**Investing in the Fund is likely to have tax consequences**

The following comments should not be regarded as tax advice and are based on current taxation laws and their interpretation.

Tax position of the Fund

Managed investment schemes are generally not required to pay tax on behalf of Australian resident investors. The Fund has elected into the Attribution Managed Investment Trust (**AMIT**) regime. On the basis that investors are allocated (which is referred to in the AMIT regime as the making of an "attribution") all of the taxable income of the Fund (which includes net realised capital gains) for a financial year, the Fund itself should not be liable for tax. Investors will be attributed a share of the taxable income of the Fund. Generally the attribution will be made proportionately based on each investor's holding of units in the Fund although we have the discretion to attribute the taxable income of the Fund on a fair and reasonable basis.

Taxation of investors

Australian resident investors are assessed for tax on the share of the taxable income of the Fund attributed to them. The amount that is included in your assessable income is based on the share of the Fund's taxable income attributed to you in the financial year that it arises, whether or not it is paid to you or reinvested, and even though you may receive some or all of it in the next financial year.

If an investor in the Fund has an amount included in its assessable income in excess of the amount distributed to them, the investor will be entitled to an increase in the cost base of their units in the Fund. The amount of the cost base adjustment for a particular financial year will be advised in the investor's tax statement (known as an 'AMIT Member Annual Statement' or 'AMMA').

Depending on your individual circumstances, you may also be entitled to the benefit of franking credits or eligible to claim foreign income tax offsets.

You may also incur a capital gains tax liability if you dispose of your units by way of transfer or withdrawal from the Fund.

To limit possible adverse financial or tax implications for remaining investors following any withdrawal from the Fund we may attribute to the withdrawing member the net realised capital gains arising from the sale of assets to meet the withdrawal request.

Non-resident investors may be subject to Australian withholding tax on their share of the Fund's taxable income attributed to them.

The AMMA that you receive for each financial year will show the tax composition of any taxable amount attributed to you from the Fund.

Tax implications of gearing

Where Fund expenses including borrowing costs and other financing costs are substantial, they may reduce the taxable income of the Fund to zero. If the Fund has no taxable income for a financial year, franking credits attached to franked dividends will not flow through to investors. Our policy of monitoring the Fund's gearing levels in light of market conditions should minimise the risk of this happening but it cannot be eliminated completely.

If the expenses of the Fund exceed its assessable income, tax losses will be incurred by the Fund. These losses cannot be passed on to investors. Instead, the losses can generally be offset against future income or gains of the Fund, subject to the Fund meeting certain conditions.



The Australian taxation system is complex and we strongly advise that you seek independent professional tax advice about your specific circumstances.

Investing in the Fund may also affect your entitlement to pension or other social security benefits. We suggest you seek advice from your financial advisor or Centrelink.

i You should read the important information on taxation before making a decision. Go to **Section 7 How managed investment schemes are taxed** in the 'Maple-Brown Abbott Funds: Additional Information Booklet' located at maple-brownabbott.com.au/funds. This information may change between the time when you read this PDS and the day when you acquire the product.

8 How to apply

Before investing in the Fund, you should read this PDS and the AIB to ensure the Fund meets your needs.

To invest in the Fund, you will need to complete an Initial Application including relevant Customer Identification. You can find these forms at maple-brownabbott.com.au/funds or by contacting us on 02 8226 6200.

The payment details for investing in the Fund are set out in the Initial Application Form.

If you are investing through an IDPS you will not be personally completing the Initial Application Form. You must follow the application process as advised by the operator of that service.

Maple-Brown Abbott has appointed Ironbark to provide distribution and adviser services in relation to the Fund. Advisers should contact Ironbark as follows:

Hours of operation: 9:00am to 5:30pm Sydney time Business Days

Tel: 1800 034 402

Fax: 1300 365 601

Email: adviser.services@ironbarkam.com

Cooling-off

If you are a retail investor, as defined in the *Corporations Act 2001 (Cth)*, you have a 14 day cooling-off period to reconsider if an investment in the Fund meets your needs. Your 14 day cooling-off period begins at the end of the fifth Business Day after units have been issued to you, or the date that you receive your investment confirmation, whichever is earlier.

You must instruct us in writing before the end of the cooling-off period if you are a retail investor and wish to exercise your cooling-off rights. You can send your written instructions to us by mail or by fax.

We will then pay the proceeds into your nominated bank account (we cannot accept new bank account details by fax) or send you a cheque.

Cooling-off rights do not apply to distribution reinvestments, additional investments or where a right is exercised in relation to your investment during the cooling-off period.

If you exercise your cooling-off rights, your money will be returned to you. The amount returned may be higher or lower than your original investment, reflecting market movements and the deduction of reasonable transaction and administrative costs, or any other amount that may be deducted under the legislation.

This may also have tax implications for you.

If you have invested through an IDPS then no cooling-off rights apply.

9 Other information

Enquiries and complaints

We are committed to providing you with a high level of service.

If you have an enquiry or complaint, or you require further information about your investment in the Fund, please contact us on 02 8226 6200. If you are investing through an IDPS, any enquiries or complaints should first be directed to the IDPS operator unless your enquiry or complaint relates to the Fund in which event you may make a complaint as if you were a direct investor of the Fund.

We will acknowledge your complaint within 5 days and aim to resolve your complaint within 45 days.

If you are not satisfied with our response, you can refer the matter to the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services complaint resolution that is free to consumers. You can contact AFCA on 1800 931 678, or by writing to:

Australian Financial Complaints Authority

GPO Box 3, Melbourne VIC 3001

Website: www.afca.org.au

Email: info@afca.org.au

PDS changes

We may change information in this PDS from time to time.

Where these changes are not materially adverse, this updated information and any continuous disclosure notices will be available at maple-brownabbott.com.au/funds or by contacting us on 02 8226 6200. A paper copy of this updated information will be provided to you free of charge on request.

If we make a materially adverse change, we will issue a replacement PDS.

If there is a material increase in fees, we will give you at least 30 days prior notice in writing.

No representation or guarantee

We make no representation or give any guarantee as to the future performance or success of, the rate of income from or capital return from, the recovery of money invested in, or the income tax or other taxation consequences of, any investment in the Fund, whether made on the basis of this PDS or otherwise.

Disclosing entity

As a disclosing entity, 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. You can also contact us on 02 8226 6200 to request copies of the following documents, free of charge:

- the most recent annual financial report lodged with ASIC for the Fund
- any half-year financial report for the Fund lodged with ASIC after the lodgement of the above annual financial report
- any continuous disclosure notices that are lodged with ASIC for the Fund.

The documents above are also available at maple-brownabbott.com.au/funds.

i You should read the important information on investor rights, the Constitution, roles and responsibilities of an appointed representative, related party transactions and conflicts of interest, the Custodian and Administrator of the Fund, protecting your privacy, consents before making a decision. Go to **Section 9 Other information** in the 'Maple-Brown Abbott Funds: Additional Information Booklet' located at maple-brownabbott.com.au/funds. This information may change between the time when you read this PDS and the day when you acquire the product.