

ADDITIONAL INFORMATION BOOKLET

12 December 2018



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Please note that definitions of certain capitalised terms used in this document are set out in the Glossary.

IMPORTANT INFORMATION ABOUT THIS BOOKLET

The information in this document forms part of the Peters MacGregor Global Fund Product Disclosure Statement, issued on 12 December 2018.

ADDITIONAL INFORMATION BOOKLET



Peters MacGregor Capital Management Limited

ABN 77 087 181 600

AFSL 225984

APIR WPC0002AU

ARSN 110 619 559

mFund PMW01

1. Additional information about the acquisition and disposal of interests

1.1 Application for units

An application for units in the Fund can be made by completing the Application Form available from petersmacgregor.com. When making your initial investment in the Fund, please complete every section of the Application Form that is relevant to the type of investor you are.

The Application Form includes details of the identification documentation that we are required by law to collect from you before we can issue units in the Fund to you.

The minimum initial investment is \$10,000 and minimum additional investment is \$5,000. Units will be issued when the "Application Form" is accepted and payment has cleared, 3 Business Days from the date of funds drawn from the bank account.

Regular Investment plan

Participating in a regular investment plan enables you to open an account with a lower opening balance and then to invest regular additional amounts. The minimum initial balance if you participate in a regular investment plan is \$5,000, with a minimum ongoing monthly contribution of \$200.

To participate in a regular investment plan, please complete the relevant section of the Application Form, along with a Regular Investment Plan Form to establish an authority to direct debit the contributions from your nominated bank account. Direct debits will be processed on the 19th of each month. When the 19th falls on a non-Business Day, money will be debited from your account on the next Business Day. Units will be issued when the payment has cleared, 3 Business Days from the date of funds drawn from the bank account. Please mail the completed original Application Form and Regular Investment Plan Form, together with certified copies of the requested identification documentation, to the Fund Administrator.

Note: All original documentation MUST be mailed to:

Investor Services, Peters MacGregor

C/- Mainstream Fund Services Pty Ltd, GPO Box 4968, Sydney NSW 2001

Applications through mFunds Settlement Service

Application for units can also be made through the mFund Settlement Service ("mFunds") operated by the ASX (mFund code PMW01). You can apply for units through mFunds by placing a buy order for units with your licensed broker or financial adviser who uses a stockbroking service on your behalf, together with your application money.

Payment of application monies

We can accept payment of your application monies in Australian Dollars by cheque or electronic funds transfer (EFT).

Cheques should be made payable to:

Peters MacGregor Capital Management ATF Peters MacGregor Global Fund

Forward the Application Form and cheques to: Mainstream Fund Services Pty Ltd, GPO Box 4968 SYDNEY NSW 2001

Electronic Funds Transfer:

Include your name and the Fund Name: 'Peters MacGregor Global Fund' as your reference details on the electronic transfers.

Please transfer to:

Account Name: Peters MacGregor Capital Management Limited ATF Peters MacGregor Global Fund

Bank: National Australia Bank

BSB: 084-004

Account Number: 845240444



The issue price of units will generally be calculated daily, however, Peters MacGregor may elect to calculate issue prices less frequently. Application Forms received and accepted will be processed at the issue price at the close of business on the applicable Valuation Date.

Peters MacGregor may accept or reject an application in whole or in part. Any interest earned on application money will be retained by Peters MacGregor and will form part of the assets of the Fund.

1.2 Withdrawals

If Peters MacGregor gives effect to a withdrawal request, then under the Fund's constitution, payments must be made within 30 days of receipt of the withdrawal request. However, it is expected withdrawal requests will be processed within seven Business Days of receipt in most circumstances.

Peters MacGregor may refuse to give effect to a withdrawal request or suspend withdrawals in certain circumstances in accordance with the constitution of the Fund and the Corporations Act. For example, where, in Peters MacGregor opinion, it is not in the best interests of investors for withdrawals to be made, where Peters MacGregor is unable to calculate the withdrawal price for reasons beyond its control or where Peters MacGregor is unable to realise assets needed to satisfy the withdrawal request. In addition, the Fund has a minimum withdrawal amount of \$5,000 (although Peters MacGregor may, at its discretion, accept lesser amounts).

Withdrawal requests received and accepted will be processed at the withdrawal price at the close of business on the applicable Valuation Date.

Withdrawal proceeds are determined by multiplying the number of units redeemed by the withdrawal price on the applicable Valuation Date. If a withdrawal request is received that would result in an investor's holding in the Fund being less than \$5,000, Peters MacGregor may redeem the investor's entire holding in the Fund.

The withdrawal of units is governed by the Fund's constitution and the Corporations Act. A managed investment scheme is deemed to be illiquid where liquid assets (as defined in the Corporations Act) do not account for at least 80% of the value of scheme property. If the Fund is illiquid, investors do not have an automatic right to request withdrawal and Peters MacGregor may (but is not obliged to) offer withdrawals of units from the Fund on a periodic basis in accordance with the Fund's constitution and the Corporations Act.

1.3 Transferring or selling units

Investors in the Fund may transfer their units in the Fund to a willing purchaser by way of a form approved by Peters MacGregor and subject to the Fund's constitution. However, the Corporations Act restricts Peters MacGregor ability to facilitate the sale of units from investors to third parties and, in particular, restricts Peters MacGregor from introducing potential buyers to sellers. Units in the Fund are not quoted on the ASX and there is no secondary market for trading in units.

1.4 Unit pricing

Both the most recent issue price and withdrawal price for units in the Fund can be found by calling Investor Services on 1300 133 451 or on Peters MacGregor website at petersmacgregor.com. The issue price of a unit will be generally calculated daily, although Peters MacGregor may elect to calculate issue prices, less frequently or more than once for a particular Business Day. The issue price of a unit will be calculated in accordance with the following formula:

$$\text{Issue price} = \frac{\text{Net Assets of the Fund}}{\text{number of units in issue}} + \text{transaction costs}$$

The withdrawal price of a unit will be calculated in accordance with the following formula:

$$\text{Withdrawal price} = \frac{\text{Net Assets of the Fund}}{\text{number of units in issue}} - \text{transaction costs}$$

The Net Assets of the Fund are calculated by subtracting from the assets of the Fund (which includes all investments and other assets of the Fund) all liabilities of the Fund (which includes all charges, expenses, contingent liabilities, provisions for the cost of acquiring assets and unpaid distributions, but excludes any amounts subscribed by investors for units which might be considered liabilities under applicable accounting standards).

Both the issue price and the withdrawal price include an adjustment factor representing transaction costs to acquire or sell

investments as a result of applications and withdrawals by investors. These costs, which affect unit pricing, are dealt with by applying a “buy/sell spread”. Further information about transaction costs is set out in section 3.1 of the Additional Information Booklet.

Peters MacGregor has adopted a unit pricing policy, which sets out the circumstances and the factors it must have regard to when exercising its discretion in respect to unit pricing. Investors can obtain a copy of the unit pricing policy at petersmacgregor.com.

1.5 Distributions

What distributions will be made?

The Fund may earn income, such as dividends and interest. The Fund may also realise revenue and capital gains or losses on the sale of investments. The net income of the Fund after expenses, if any, together with any franking credits attached to that income, will be distributed to each unit holder annually (30 June). These distributions are normally paid within 30 days, although the Fund’s constitution allows 60 days for the payment of distributions.

The amount and components of a distribution will vary from period to period. There may be periods when the Fund does not make a distribution or where any distribution is made up predominantly or entirely of realised capital gains.

Your distribution choices

You may choose on the Application Form to have your distributions:

- Reinvested in additional units of the same class in the Fund; or
- Paid directly to your nominated Australian bank, building society or credit union account.

Please note that if you do not make a distribution choice, distributions will automatically be reinvested in additional units in the Fund. Where a distribution is reinvested, we will treat it as having received and accepted an application to reinvest the distribution on the day at the end of the distribution period. The new units will be issued at the Net Asset Value price applicable to that time and we will notify you within 30 days of the number of the units issued to you.

You may change your distribution option at a later date, provided notification of the change is provided to us in writing and signed by an authorised person at least 1 month before the distribution calculation date. An amendment to a nominated bank account cannot be accepted by fax instruction and must be notified to us in writing in the form of an original instruction signed in accordance with the most recent signing instructions provided by you. In normal circumstances we will grant your request to change your distribution option. However, we have the discretion to decline your request. If the request is declined, we will notify you within a reasonable time frame. Distributions generally cannot be paid to third parties.

2. Additional information about the Fund

2.1 The constitution

The Fund is a registered managed investment scheme and is governed by a constitution. The constitution of the Fund (as amended from time to time) is the primary document governing the relationship between investors and Peters MacGregor as the responsible entity for the Fund. By acquiring units in the Fund, you will be bound by the terms of the constitution.

The constitution for the Fund is dated 30 July 2004 and has been lodged with ASIC.

The Fund’s constitution, together with the Corporations Act, general law and other relevant legislation, governs the way the Fund operates and sets out many of the rights, liabilities and responsibilities of both investors and Peters MacGregor in its capacity as the responsible entity for the Fund. The Fund’s constitution includes provisions dealing with matters such as the following:

- The broad powers granted to Peters MacGregor to invest, borrow, receive fees and other payments and generally manage the Fund, subject to its obligations under the law and the Corporations Act which require it to act honestly and in the best interests of investors;
- Indemnity for Peters MacGregor – To the extent permitted by the Corporations Act, Peters MacGregor is entitled to be indemnified out of the assets of the Fund for all liabilities incurred in the proper performance of its duties and for fees and costs payable to it with respect to the Fund. This indemnity does not apply where there has been negligence, deceit, fraud, breach of duty or breach of trust by Peters MacGregor;
- The issue of units and the calculation of issue prices;



- The procedure for withdrawing an investment and the calculation of withdrawal prices;
- Calculation of the net income of the Fund and when it is to be distributed to investors, and the rights of investors to receive distributions of income and capital from the Fund;
- Distribution reinvestment;
- Convening, holding and voting at meetings of investors. Investors' rights to requisition, attend and vote at meetings are mainly contained in the Corporations Act;
- The transfer of units;
- The fees payable and expenses for which Peters MacGregor is entitled to be reimbursed;
- The power of Peters MacGregor to enter into a transaction with the Fund in its personal capacity or become interested in any such transaction;
- The power of Peters MacGregor to make deductions from distributions for any amount of tax which is paid or payable by Peters MacGregor in respect of an investor;
- The retirement and removal of Peters MacGregor;
- Complaints handling procedures;
- Winding up of the Fund; and
- The obligations, duties and powers of Peters MacGregor, the delegation of its functions and the principles by which the assets of the Fund will be valued.

The Fund's Constitution contains provisions intended to limit the liability of investors to their investment in the Fund. However, there can be no absolute assurance that the liability of investors would be limited as intended by these provisions as the ultimate liability of investors to creditors of a managed investment scheme or trust has not been finally resolved by Australian courts.

An investor is also liable to indemnify Peters MacGregor for certain duties, taxes and bank charges directly referable to that investor.

Peters MacGregor may amend the Fund's constitution without the consent of investors if it is of the opinion the change will not adversely affect investors' rights. Otherwise, any amendment to the constitution may only be made by a special resolution of investors. A copy of the Fund's constitution may be obtained free of charge by calling Investor Services on 1300 133 451.

2.2 Communications with investors:

Investors will receive the following acknowledgments, statements and reports relating to their investment in the Fund:

- A transaction statement will be issued to investors upon the processing of an application or withdrawal request;
- A statement will be issued to investors if a distribution is declared, showing income distributions paid to the investor or reinvested in additional units in the Fund and the balance of the investor's holding at the end of the period;
- If the Fund has made a distribution during the year, an annual taxation statement, after the end of the financial year, showing the detail of the distributed income and its components for the last financial year; and
- The annual report for the Fund, if requested, which includes Peters MacGregor's report to investors and the Fund's audited financial statements.

Investors investing through an Administration Service will receive reports on their investment from the operator of that Administration Service, not from Peters MacGregor.

In addition, information with respect to the Fund (for example, NAV prices, issue prices, withdrawal prices and important events) and details of other developments that might be of interest to investors will be regularly posted on Peters MacGregor website at petersmacgregor.com.

2.3 Disclosing Entity reporting

If the Fund is a disclosing entity for Corporations Act purposes and is therefore subject to regular reporting and disclosure obligations, investors in the Fund will have the right to obtain the following documents from us:

- The annual financial report of the Fund most recently lodged with ASIC;
- Any half year financial report of the Fund that we lodged with ASIC after the lodgement of that annual financial report and before the date of this PDS; and
- Any continuous disclosure notices that we provided in respect of the Fund after lodgement of that annual financial report and before the date of this PDS.

Copies of documents lodged with ASIC in relation to the Fund may be obtained from, or inspected at, an ASIC office.

The Fund meets its disclosure obligations by publishing relevant information on Peters MacGregor's website in accordance with "good practice guidance" from ASIC – rather than by lodging continuous disclosure notices with ASIC.

2.4 Investing through an Administration Service

Peters MacGregor authorises the use of the PDS as disclosure for those who wish to access the Fund through an Administration Service, where the operator of that service has provided Peters MacGregor with a written undertaking in accordance with ASIC requirements. If a person invests in the Fund through an Administration Service, they should note that the operator or custodian of the Administration Service will be recorded in the register as the investor in the Fund and will have the rights attaching to units in the Fund. Peters MacGregor is not responsible for the operation of any of such services through which a person might invest. Therefore, certain rights of investors in the Fund will not apply to persons if they are investing through any of those services, such as the right to receive reports and statements from Peters MacGregor, the right to attend meetings, and the right to make a complaint to Peters MacGregor. If persons are investing through an Administration Service, licensed broker or financial adviser who uses a stockbroking service such as mFunds on their behalf, they should also take into account the fees and other costs of the operator of the service. In addition, as well as reading the PDS, they should read the document which explains the service.

2.5 Privacy

We are committed to protecting the privacy of investors' personal information. Our privacy policy states how we manage personal information. You can obtain a copy from petersmacgregor.com or by telephoning or writing to us.

We collect personal information for the purposes of processing your application, providing you with this product and managing your investment account. We may not be able to undertake these activities without this information. Some information is collected for the purpose of compliance with the Financial Transaction Reports Act 1988 and AML/CTF Act and Rules. In order to perform our role, we and our external service providers may disclose some or all of your personal information to:

- Providers of outsourced services such as unit registry organisations, custodians, back office administrative service providers, printers and mailers;
- Providers of research and data analysis services, to support our systems, investment strategies and services;
- Your financial adviser – unless you otherwise notify us in writing, we will provide your investment details to your adviser or your advisory group;
- Government agencies and bodies when required by law;
- Professional advisers such as legal counsel and auditors; and
- Financial institutions involved in processing transactions.

We may also disclose certain information in relation to your interest in the Funds if we are required to do so to comply with a notice to provide ownership information concerning an investment of a Fund, given under section 672A of the Corporations Act or other applicable law.

You may at any time contact us with any questions or concerns about privacy, or to request access to your personal information held by us, or to correct or update the information.



2.6 Anti-money laundering

The Australian Government enacted the AML/CTF Act and Rules in December 2006. The purpose of the AML/CTF Act and Rules is the regulation of financial services and transactions in a way that will help detect and prevent money laundering and terrorism financing.

As required by the AML/CTF Act and Rules, Peters MacGregor has implemented an Anti-Money Laundering and Counter Terrorism Financing Program (AML/CTF Program) in an attempt to identify, manage and mitigate the risk of its products and services being used for the purposes of money laundering or terrorism financing. Under the AML/CTF Program, Peters MacGregor has procedures in place which it must carry out in order to reasonably verify the identity of all prospective investors before providing services to that investor, and from time to time thereafter. Failure to verify the identity of a new investor, due for example to the reluctance on the part of the investor to provide the necessary Identification Information, will likely result in the delay or refusal of the investor's application in the Fund. Peters MacGregor will not be responsible for any losses (including consequential loss) incurred by an investor who fails to comply with these requirements.

In accordance with the AML/CTF Act and Rules, there may be occasion where Peters MacGregor is required to disclose information in respect of an investor's application and/or subsequent transactions to regulatory and/or law enforcement agencies, including the Australian Transaction Reports and Analysis Centre (AUSTRAC).

2.7 Consents

Mainstream Fund Services Pty Ltd has given, and not withdrawn, their consent to being referred to in the PDS.

3. Additional information about fees and costs

This section provides further information about the fees and other costs that you may be charged. These fees and other costs may be deducted from the money you invest, from the returns on your investment or from Fund assets as a whole. It is our intention to pay such amounts from the Fund assets.

Further information about taxes are set out in Section 4 of the Additional Information Booklet.

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

TYPE OF FEE OR COST	AMOUNT ¹	HOW AND WHEN PAID
Fees when your money moves in or out of the Fund²		
Establishment fee The fee to open your investment	Nil	Not applicable
Contribution fee The fee on each amount contributed to your investment	Nil	Not applicable
Withdrawal fee The fee on each amount you take out of your investment	Nil	Not applicable
Termination fee The fee to close your investment	Nil	Not applicable
Management costs²		
The fees and costs for managing your investment	Estimated to be 1.35% ² p.a. of your balance within the Fund, or \$675 for every \$50,000 you have in the Fund.	Management costs are calculated each Valuation Date and paid monthly in arrears to us. They are deducted directly from the Fund's assets and are reflected in the unit price.
Service fees²		
Investment switching fee The fee for changing Funds	Not applicable	Not applicable

Footnotes:

- 1 The Fund also has a buy/sell spread (see "Transaction costs" in Section 3.1). While not strictly a fee, this is a cost that is passed onto you when you acquire or dispose of units in the Fund.
- 2 Further details of the management costs are set out at 3.1 below and may include an amount payable to an adviser. All fees are inclusive of the net effect of GST.
- 3 Subject to any limitations at law, we may also pay advisers and others commissions and other payments in connection with your investment in the Fund. This is paid by us out of our fee.

3.1 Additional explanation of fees and costs

Management costs

The management costs (comprising of a Management Fee and an Administration Fee) quoted in the PDS are inclusive of GST and less any applicable reduced input tax credits. As the Fund predominantly invests in international securities, the GST impact on the Management Costs quoted in the PDS is currently estimated to be negligible. To the extent the GST impact increases (for example if the Fund's exposure to Australian securities increases), the actual Management Costs may exceed the rates stated above and in the PDS for the Fund. In addition to the management costs shown in the "Fees and other costs" table above, Peters MacGregor may also be reimbursed from the Fund in accordance with the Constitution to cover expenses incurred due to abnormal events such as the cost of running a member meeting, or legal costs incurred by changes in the constitution or defending legal proceedings. Only those costs, charges and expenses, which we consider to be of an abnormal or extraordinary nature are permitted to be charged to the Fund.

Transaction costs

Applications increase the amount in the Fund and require additional investments to be acquired for the Fund. Withdrawals from the Fund require additional cash to be made available so Fund investments may have to be sold. The Fund is required to pay transaction costs such as brokerage when it buys or sells investments. Transaction costs are an additional cost passed on to the investor by adding or subtracting the estimate of these costs to applications or withdrawals, so that exiting investors do not bear the transaction costs of persons entering and exiting the Fund. The transaction costs are paid to the Fund, and are not a fee paid to us.

We may, in connection with any particular application or withdrawal, deem the transaction costs to be a lesser amount than estimated, including zero, or use an estimated average percentage cost in accordance with our policy on unit pricing discretions. A copy of the policy is available free-of-charge. The transaction costs are currently 0.1% of the net assets of the Fund (calculated on a per unit basis). For example, the transaction costs for acquiring a \$50,000 investment in the Fund will equate to \$50 and the transaction costs for disposing of a \$50,000 investment in the Fund will equate to \$50. The transaction costs may be amended without notice, from time-to-time and there is no limit to the transaction costs that may be charged under the Fund constitution.

Maximum fees

The maximum fees that may be charged under the constitution in respect of the Fund are as follows:

FEE	MAXIMUM
Management fee	1.35% ¹ p.a. of the value of the assets of the Fund
Expense recoveries	Unlimited, provided expenses are properly incurred by Peters MacGregor in performing its duties as Responsible Entity.

Footnote:

1 All fees are inclusive of the net effect of GST. Refer to Section 3.1

Taxation information

For additional information on significant taxation implications relating to investing in the Fund, see section 4 of the Additional Information Booklet. All amounts are disclosed in this section to show the net effect of GST (i.e. inclusive of 10% GST, less any reduced input tax credits or (RITCs) available to the Fund.



4. Additional information about taxation matters relating to registered managed investment schemes

4.1 Foreign Account Tax Compliance Act and Common Reporting System

Under the Foreign Account Tax Compliance Act ("FATCA"), PMCM is deemed to be a "foreign financial institution" and is required to obtain and disclose information about certain US and US-owned investors. Also, the Organisation for Economic Co-Operation and Development ("OECD") have introduced a Common Reporting Standard ("CRS") for the collection, reporting and exchange of financial account information on foreign tax residents from participating jurisdictions, starting from 1 July 2017. PMCM may request that investors provide certain information about themselves and their companies in order to comply with its FATCA and CRS obligations ("Reportable Information").

To the extent that all Reportable Information is obtained, imposition of US withholding tax on payments of US income or gross proceeds from the sale of particular US securities shall not apply to the Fund. Although PMCM attempts to take all reasonable steps to comply with its FATCA obligations and to avoid the imposition of this withholding tax, this outcome is not guaranteed.

Under the terms of the intergovernmental agreement between the US and Australian governments and the terms of the CRS, PMCM may provide Reportable Information to the Australian Tax Office (the "ATO"). We may use your personal information in order to comply with these provisions, and may contact you if we require additional information to comply with our obligations.

The following is a general tax summary of the key Australian income tax, stamp duty, and goods and services tax ("GST") implications of investing in the Fund for individuals that are Australian resident taxpayers. These individuals are assumed to hold their units in the Fund on capital account and to be dealing at arm's length.

The information in this summary is general in nature. This information does not constitute legal or tax advice and does not seek to address all of the tax issues that may be relevant to a prospective investor. Taxation issues are complex and taxation laws, their interpretation and associated administrative practices may change over the term of an investment. All references in this tax summary to legislative provisions are to provisions of the Taxation Administration Act 1953 (Cth) and the Income Tax Assessment Act 1997 (Cth) (together, the 'Tax Act'), unless otherwise stated.

The tax treatment will vary according to individual circumstances and prospective investors are advised to seek their own independent tax advice in respect of their proposed investment in the Fund. All tax liabilities are, and will remain, the responsibility of each investor. Peters MacGregor is not responsible for any taxation or penalties incurred by investors in any circumstance.

The taxation summary is based on the Australian taxation laws in force and the administrative practices of the ATO generally accepted as at the date of this document. Any of these may change in the future without notice and legislation introduced to give effect to announcements may contain provisions that are currently not contemplated and may have retroactive effect.

4.2 Tax treatment of the Fund

The Fund is an Australian resident trust for Australian tax purposes. Peters MacGregor intends to limit the investment activities of the Fund to ensure that it is treated as a 'flow through' entity for the purposes of Australian tax, i.e. so that the provisions in the Tax Act that tax certain trusts in a manner similar to a company should not apply. Peters MacGregor should not be liable to tax on the Fund's net (taxable) income, on the basis that the Fund will have an amount of distributable income each income year that will be wholly distributed to investors each financial year. Instead, you (and each other investor) will be required to include your share of the net (taxable) income of the Fund in your own assessable income in the financial year to which the distribution relates. This takes into account income that has been reinvested, or for which the entitlement has arisen but it has not yet been distributed to you.

On 28 March 2012, the Commissioner of Taxation issued Draft Taxation Ruling TR 2012/D1, which stated that the responsible entity, in some limited circumstances where there is not considered to be a genuine accretion to the assets of a fund, may not be able to determine that the fund has distributable income even where the fund has net taxable income. In this case, that net taxable income would be taxable to the responsible entity at a 46.5% tax rate and the tax would be paid out of the assets of the fund. Draft Taxation Ruling TR 2012/D1 is subject to consultation and may not be wholly correct. Peters MacGregor intends to take all reasonable measures in exercising its discretion to determine the characterisation of receipts and outgoings of the Fund for tax purposes to ensure that there is distributable income of the Fund for each income year, taking into account the views expressed in Draft Taxation Ruling TR 2012/D1, such that the net taxable income would not be taxable to Peters MacGregor.

4.3 Net Income of the Fund

The net income of the Fund should take into account the following amounts:

- a) Capital gains and losses on any shares, trust units, other equity interests, land and related rights and options held by the Fund that are taken to be on capital account pursuant to an election made under Division 275 of the Income Tax Assessment Act 1997;
- b) Gains or losses on any assets held by the Fund on revenue account, such as debt securities, derivatives and other financial arrangements;
- c) Dividends (or dividend equivalent payments) paid in respect of the equity investments of the Fund, including any franking credits attached to the dividends (or dividend equivalent payments); and
- d) Interest on debt securities or cash held by the Fund.

For the purposes of calculating the net income of the Fund, a 50% discount would be applied to capital gains made on assets the Fund had held for at least 12 months.

4.4 Tax treatment of investors

The constitution provides that investors are presently entitled to their proportionate share of trust income. Investors will receive an annual distribution statement, which will identify the components of their distributions.

As discussed above, for the purposes of calculating the net income of the Fund, a 50% discount would be applied to capital gains made on assets the Fund has held for at least 12 months. Investors would be required to gross up the capital gain component of Fund distributions. An investor would then be able to apply its own capital losses, if any, against the trust capital gains before applying the relevant discount percentage if any, which is also 50% for individuals and trusts 33 1/3% for complying superannuation funds, to any remaining capital gains.

Distributions from the Fund may include non-assessable amounts including a return of capital. Such amounts are not taxable as income to the investors when distributed but rather will reduce the cost base of the Units held in the Fund for the purposes of determining a capital gains tax liability on the disposal of the Units.

If the Fund is in a tax loss or net capital loss position for a financial year, this loss cannot be distributed to you, i.e. used by you to offset other income. However, such a loss may be able to be carried forward and deducted against future income of the Fund if, in the case of a tax loss, the Fund meets certain requirements in relation to the continuity of persons with an interest in the Fund.

4.5 CGT treatment

The cost base of your units for CGT purposes will include, amongst other things, the amount paid to acquire the units and any incidental costs. As discussed above, where you receive a distribution in excess of your share of the net income of the Fund, the amount of the distribution not included in your assessable income will reduce the cost base in your units. If investors receive distributions of non-assessable amounts that exceed their cost base in their units, they will make a capital gain to the extent of the excess.

You may make a capital gain or capital loss when you dispose of your units. As a general rule, where the proceeds on disposal of your units are greater than the cost base of those units, you will make a capital gain. The amount of proceeds on disposal will depend on whether or not you withdraw from the Fund and redeem your units or whether you dispose of your units to a third party.

If you withdraw from the Fund and redeem your units, your total redemption proceeds may be deemed by us in accordance with the Constitution to comprise both a distribution of income from the Fund and a payment for the redemption of your units. In these circumstances, only the component relating to the payment for the redemption of units will be relevant in determining whether or not you make a capital gain or loss.

Where you are able to sell your units to a third party, the total sale proceeds you receive will be taken into account in determining whether you make a capital gain or capital loss.

Where CGT discount treatment applies, this means that only half (if you are an individual (or trust) or two thirds (if you are a complying superannuation entity) of any capital gain on units which are held for more than twelve months will be included in your assessable income.

If you make a capital loss on the disposal of your units, this loss will only be able to be offset against capital gains you derive from other sources and not against other ordinary income, like distributions or wages. However, capital losses can be carried forward and used to offset capital gains you may make in later years.



4.6 Tax file number

If you do not provide a tax file number or claim a valid exemption (or in certain circumstances provide an Australian Business Number), Peters MacGregor will be required to deduct tax from your distributions at the highest marginal tax rate plus Medicare levy. Any tax file number you provide will be reported to the ATO by Peters MacGregor in connection with your investment.

4.7 GST

GST will not apply to the issue or redemption of units. GST may apply to the fees charged to the Fund and some other expenses of the Fund (including on the acquisition of certain types of assets). The Fund may be entitled to a reduced input tax credit equal to between 55% and 75% of the GST paid in respect of certain expenses. GST may also apply to fees and commissions charged to you by your financial adviser. You should obtain independent advice as to whether any input tax credits are available for any such GST, as it will depend on your personal circumstances.

4.8 Tax Reform

The Australian Government has announced that it is proposing to implement a new tax system for managed investment trusts. The rules are intended to provide greater certainty in relation to the tax treatment of managed investment trusts, however, no legislation has been introduced as at the date of this document. On the basis of current information, the rules would apply from 1 July 2016.

4.9 Foreign taxes

Australian and foreign taxes can reduce the amount you receive from the Fund, or the amount the Fund receives from its investments and dealings.

Foreign taxes may be imposed where the Fund's investments or dealings have some connection with a foreign jurisdiction. Foreign laws are varied and can apply in uncertain ways. For example, the United States of America has recently enacted new rules known as the Foreign Account Tax Compliance Act (FATCA). Based on current information, FATCA could result in the Fund becoming subject to a 30% withholding tax on part or all of the payments it receives from US sources (from 1 January 2014) or from financial institutions or investment bodies with US assets (from 1 January 2017). Alternatively, if the Fund has US assets, it could potentially be required to withhold 30% tax on part or all of its payments to unit holders (from 1 January 2017), if the unit holders do not comply with certain FATCA obligations (e.g. to provide certain identity information to the Fund for disclosure to the Internal Revenue Service).

If the Fund is required to pay any amount of Australian or foreign tax, or is required to withhold any amount in respect of Australian or foreign tax, neither Peters MacGregor nor the Fund will be required to compensate you for any such tax, and the effects of these amounts will be reflected in the returns of the Fund.

5. Additional information about complaints and dispute resolution

As an investor in the Fund, you have the right to enquire into or complain about the operation of the Fund to the extent that it relates to you or your investment.

If you are investing through an Administration Service and you wish to make a complaint, you are directed to contact your Administration Service. If you are not satisfied with your Administration Service's response to your complaint, you can contact your Administration Service's external dispute resolution scheme.

For direct investors, we have established procedures to ensure complaints about financial services provided by us or by our authorised representatives are properly considered. We are committed to handling any complaints quickly and fairly.

If you wish to make a complaint, you can call or write to us (for the attention of the Compliance Manager) at the contact details set out in this PDS. We will provide you with all reasonable assistance and information you may require for the purpose of making a complaint and assist you in understanding our complaints handling procedures. We aim to provide a formal response within 28 days of acknowledgement of the complaint.

We are a member of the Australian Financial Complaints Authority (AFCA), an external industry dispute resolution scheme. If you are not satisfied with our response to your complaint, you can contact AFCA. Its address is GPO Box 3, Melbourne, Victoria 3001. The telephone number for AFCA is 1800 93 16 78 for the cost of a local call.

AFCA has the discretion to exclude complaints where appropriate, for example because the applicant is not a retail client as defined in the Corporations Act.

6. Glossary

In this PDS, references to:

TERM	DEFINITION
Administration Service	means an investor directed portfolio service or similar service, such as a master trust, wrap account or nominee or custody service.
Business Day	means a day which is not a Saturday, Sunday or public holiday in NSW.
Fund	means the Peters MacGregor Global Fund, ARSN 110 619 559.
GST	has the meaning given to that term in a New Tax System (Goods and Services Tax) ACT 1999 (as amended from time to time).
Net Assets	means, when used in this PDS, the Net Assets of the Fund are calculated by subtracting from the assets of the Fund (which includes all investments and other assets of the Fund) all liabilities of the Fund.
Peters MacGregor	means Peters MacGregor Capital Management Limited, ABN 77 087 181 600.
Valuation Date	means the date on which the issue price and withdrawal price of units in the Fund is determined. Unit prices will generally be calculated daily. However, Peters MacGregor may elect to calculate unit prices less frequently.

PetersMacGregor

CAPITAL MANAGEMENT

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