



Clime Australian Value Fund

APPLICATION FOR UNITS

ARSN 126 118 189
Dated 24 June 2013



How to Complete the Application Form

This is an Application Form for units in the Clime Australian Value Fund ARSN 126 118 189 (CAVF) issued by Select Asset Management Limited (ABN 94 101 103 011, AFSL No. 223271) (Select) offered under the product disclosure statement for the Clime Australian Value Fund dated 24 June 2013 (the PDS). This Application Form must not be distributed unless in or accompanied by, the PDS. The PDS (which incorporates the Additional Information Booklet) contains important information about investing in the Fund. It is important you read in full the PDS and declarations in this Application Form before applying. You may request a free printed copy of the PDS, the Additional Information Booklet and the Application Form by calling Clime on 1300 788 568, or Select on 02 8252 2200 during business hours. A person who gives another person access to the Application Form must at the same time and by the same means give the other person access to the PDS.

Procedure

1. Complete the information required in the Application Form on pages I - IX. Please read General Instructions commencing on this page.
2. Identification and verification documents are required under Australia's Anti-Money Laundering and Counter Terrorism Financing (AML/CTF) regulations. To identify the documents you need to provide, see "Anti-Money Laundering and Counter-Terrorism Financing Instructions" on page 4.
3. The Application Form, your payment as set out in Section D of the Application Form and certified copies of the documents required to verify your identity should be sent to:

FundBPO Pty Limited
GPO Box 4968
Sydney NS W 2001

If you need assistance in completing the form, please contact Clime Asset Management on 1300 788 568.

General Instructions

- Please use CAPITAL LETTERS and a black ball point pen when completing the forms.
- For joint investors we require the usual residential address of each investor. You may only elect one postal address for all notices and correspondence.
- Your usual residential address cannot be your financial adviser's address or a post office box.
- Company applications should include a contact name and ACN, ABN, or ARBN as applicable.
- For company applications we require the full address of the registered office, plus principal place of business.
- Individual applicants should be 18 years of age or over.
- You can invest on a minor's behalf by putting their name in the account designation box. The unitholder will not, however, be the minor.
- If you have an existing account and would like to add to the account, please note your existing account number.

Tax File Number (TFN)

You are not obliged to provide your TFN, ABN or claim an exemption. However, if you do not do so we are required to deduct tax from distributions of income made to you at the highest marginal rate, plus Medicare Levy (if you are an Australian resident). Tax File Numbers for minors will not be accepted.

Application Instructions

The minimum application for Retail Units in the Fund is \$10,000 and Wholesale Units is \$500,000. Please cross your cheque "not negotiable" and make it payable to "Clime Australian Value Fund - Application A/C". The cheque must be payable in Australian dollars. Cash is not accepted. If payment is made by EFT, the application money should be sent to the bank account as provided in Section D of the Application Form.

Account Operation Instructions

Please indicate how you wish your account to be operated. In the case of joint accounts, you may request joint signatures or allow either signatory to sign. For a company or trustee, please indicate your operation instructions by ticking the appropriate box. See Section G of the Application Form.

Examples of Correct Names & Account Designations

TYPE OF INVESTOR	CORRECT NAMES	INCORRECT NAMES	SIGNATURE(S) REQUIRED
Individual / Joint Investors			
Use full name of each applicant	Alex John Barden Laura Sue Barden	Alex J Barden Laura S Barden	Each Applicant
Company			
Use full company title	Portal Pty Ltd	Portal P/L Portal Co Portal Inc.	Two directors; or Director & Secretary; or if there is only one director, by that director
Trusts / Minors			
Use trustee(s)/individual(s) name(s)	Name: Paul Ryan Prunty	Name: Paul Prunty Family Trust	Each Trustee
Use trust/minor name as designation	A/C Designation: <Prunty Family Trust> <Joel Prunty>		If trustee is a company, see above
Superannuation Fund			
Use trustee(s)/individual(s) name(s)	Name: Amy Rachel Wood	Name: AR Wood Super Fund	Each Trustee
Use superannuation fund name as designation	A/C Designation: <Amy Wood Super Fund>		If trustee is a company, see above

Distributions & Redemptions

Distributions will be reinvested unless you elect to have them paid into your bank account specified in Section F. Please ensure that you complete all details of the institution in full. We will also use these bank account details to pay your redemption proceeds.

Request for Information

The annual report for the Fund (including audited Fund accounts) will be published on Clime's website (www.clime.com.au/products/managed-fund/). It can also be sent to you, free of charge, by email (PDF file attachment) or by post (printed copy).

Select encourages you to elect in the application form (Section H) to receive a copy by email or view on the website, as this saves on paper and expenses for the Fund and has environmental benefits. Your election can be changed at any time by contacting the Administrator, FundBPO.

Signatures

Please ensure you have signed in Section K of the Application Form. You should ensure that you have read the attached Product Disclosure Statement (which incorporates the Additional Information Booklet) in full before signing the application. Joint applications must be signed by all persons.

If the application is being signed under Power of Attorney please enclose a certified copy of the Power of Attorney and appropriate photo identification of the attorney.

Lodging the Application Form

Please mail the completed Application Form, along with your payment and documents that verify your identity to:

FundBPO Pty Limited
GPO Box 4968
Sydney NSW 2001

Please ensure payment is made in full.

Please note that units in the Fund will only be issued on receipt of a properly completed Application Form, issued together with the Product Disclosure Statement (which incorporates the Additional Information Booklet) dated 24 June 2013, identification documents and cleared funds.

If you have any queries please call your financial adviser or contact Clime on:

PO Box Q1286, Queen Victoria Building NSW 1230

P 1300 788 568

F +61 (0)2 8917 2155

E info@clime.com.au

W www.clime.com.au

Anti-Money Laundering & Counter-Terrorism Financing Instructions

Identification Requirements

Under Australian Anti-Money Laundering and Counter Terrorism Financing (AML/CTF) Legislation, certain due diligence must be conducted on any prospective investor before units in the Fund may be issued to that investor. The due diligence includes verifying a prospective investor's identity. Applications that do not provide the required information cannot be processed. AML/CTF compliance will also include ongoing customer due diligence which may require the Responsible Entity (Select) to collect further information.

Requirements for Individuals / Sole Traders

If you are an individual investor or sole trader, you will need to give us certified copies of one document from column [1] OR one document from each of column [2] AND [3]:

Please note that for Trusts, Partnerships, Associations and Co-Operative Applicants, if you are required to complete the individual section of the application then you must also provide the documents required for an individual applicant.

Reliable and Independent Documentation

Do not send originals; certified copies only

Column [1] <i>Primary Photographic</i>	OR	Column [2] <i>Primary Non - Photographic</i>	AND	Column [3] <i>Secondary Identification</i>
<input type="checkbox"/> Australian Drivers Licences		<input type="checkbox"/> Birth Certificate		<input type="checkbox"/> Commonwealth, State and Territory financial benefits notice (less than 12 months old)
<input type="checkbox"/> Valid Australian Passport#		<input type="checkbox"/> Commonwealth Citizenship Certificate		<input type="checkbox"/> Tax Invoice (less than 12 months old)
<input type="checkbox"/> State or Territory Proof of Age Card		<input type="checkbox"/> Pension Card		<input type="checkbox"/> Local utilities provider notice (less than 3 months old)
<input type="checkbox"/> Foreign Passport*		<input type="checkbox"/> Health Care Card issued by Centrelink		
<input type="checkbox"/> National ID Card issued by a foreign government containing a photograph and signature*		<input type="checkbox"/> Foreign Citizenship Certificate or Birth Certificate*		
<input type="checkbox"/> Foreign Driver's Licence with photograph and date of birth*				

A passport that expired within the two years prior to submitting the application form will be accepted.

* Documents that are written in a language that is not English must be accompanied by an English translation prepared by an accredited translator.

WHO MAY CERTIFY YOUR DOCUMENTS AS BEING A TRUE AND CORRECT COPY OF THE ORIGINAL

<input type="checkbox"/> Judge	<input type="checkbox"/> Justice of Peace	<input type="checkbox"/> Full-time employee of a post office
<input type="checkbox"/> Lawyer	<input type="checkbox"/> Finance Company Officer*	<input type="checkbox"/> Authorised representative of a holder of an Australian Financial Services Licence*
<input type="checkbox"/> Notary Public	<input type="checkbox"/> Full-time employee of the bank*	<input type="checkbox"/> Australian Consular Officer or Diplomatic Officer
<input type="checkbox"/> Magistrate	<input type="checkbox"/> A member of the Institute of Chartered Accountants in Australia, CPA or NIA membership	<input type="checkbox"/> Teacher employed on a full-time basis at a school or tertiary education institution.
<input type="checkbox"/> Police Officer	<input type="checkbox"/> Medical Practitioner	
<input type="checkbox"/> A Registrar or Deputy Registrar of a court	<input type="checkbox"/> Pharmacist	

The eligible certifier must include the following information:

- Their full name
- Address
- Telephone Number
- The date of certifying
- Capacity in which they are eligible to certify, and
- An official stamp/seal if applicable

The certified copy must include the statement, **"I certify this is a true copy of the original document"**.

For photographic documents, the certified copy must include the statement, **"I certify this is a true copy of the original document and the photograph is a true likeness"**.

Non - Individual Investors

Different identification and verification requirements apply to prospective investors who are not individuals, such as companies, other bodies corporate, trusts; including superannuation trusts, partnerships, associations and registered co-operatives.

Australian Companies

Any one of the following documents:

- a certified copy of the certification of registration or licence or other records of the relevant commonwealth, state or territory statutory regulator;
- a public document issued by the relevant company.

Trusts & Trustees

If the trust is a:

Registered managed investment scheme, regulated trust, superannuation fund or government superannuation fund - a certified copy or relevant extract from the relevant regulator's website showing the full name of the trust, and that the trust is a registered scheme, regulated trust, superannuation fund or government superannuation fund.

Other trust type:

- a certified copy or extract of the Trust Deed showing the name of the trust;
- a letter from a solicitor or qualified accountant that confirms the name of the trust;
- a notice issued by the ATO within the last 12 months (e.g. Notice of Assessment).

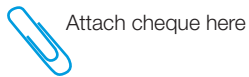
Individual Trustee - verification of the Trustee's full name, and either date of birth OR residential address is required by providing the identification requirements for an Individual.

Australian Company Trustee - a certified copy of the certification of registration.

Australian Listed Company or majority owned subsidiary of an Australian Listed Company or a regulated company - a certified copy of a public document issued by the relevant company.

Important

Current Australian Anti-Money Laundering requirements, as well as prospective changes to legislation, may in the future impose other due diligence procedures or require the collection of further information from investors.



Units in the Clime Australian Value Fund are only issued on receipt of:

- this application form;
- verification of the applicant's identity, AND
- payment in full.

For instructions on completing this application form, see pages 1 to 5. Please use CAPITAL LETTERS and a black ballpoint pen. This is an Application Form for units in the Clime Australian Value Fund ARSN 126 118 189 issued by Select Asset Management Limited (ABN 94 101 103 011, AFSL No. 223271) (Select) offered under the product disclosure statement for the Clime Australian Value Fund dated 24 June 2013 (the PDS). This Application Form must not be distributed unless in or accompanied by, the PDS. The PDS (which incorporates the Additional Information Booklet) contains important information about investing in the Fund. It is important you read in full the PDS and declarations in this Application Form before applying. You may request a free printed copy of the PDS, the Additional Information Booklet and the Application Form by calling Clime on 1300 788 568, or Select on 02 8252 2200 during business hours. A person who gives another person access to the Application Form must at the same time and by the same means give the other person access to the PDS.

SECTION A – Do you have an existing investment in the Clime Australian Value Fund?

Please tick one box ONLY.

Yes: My / Our Investor Number is

Name

Phone Number

Go to Section D

No: This is a new investment (go to Section B)

SECTION B - Investor Details

What type of entity is applying? Please tick one box ONLY.

- Individual, joint or sole trader – complete B1
- Partnership – complete B1 & B2
- Company – complete B1 (Directors) & B2
- Trust / Super Fund with Individual/s as Trustee – complete B1 (Trustees) & B3
- Trust / Super Fund with Corporate Trustee – complete B1 (Directors), B2 (Corporation) & B3 (Trust or Super Fund)
- Other

Note: In the case of Partnership, Company or Trust/Super Fund investors, if all partners, directors or trustees respectively do not sign the Application Form, a Power of Attorney or appropriate documentation showing the signatories have authority to make the investment is to be provided with the Application Form.

B1 INDIVIDUAL INVESTOR DETAILS (including individuals acting as Trustee and Corporate Directors)

INVESTOR 1 (Your name MUST match exactly to the name on your identification documents)

Title Given name(s) in full

Surname

Date of Birth / / Occupation

Australian Tax File Number or Tax Reference Number in country of residence

Australian Business Number (ABN) or Foreign Company ID Number

Residential Address

Suburb State Postcode

Country



Please provide certified copies of your identification documents, see page 4 (please tick when attached)

INVESTOR 2 (Your name MUST match exactly to the name on your identification documents)

Title Given name(s) in full

Surname

Date of Birth / / Occupation

Australian Tax File Number or Tax Reference Number in country of residence

Australian Business Number (ABN) or Foreign Company ID Number

Residential Address

Suburb State Postcode

Country



Please provide certified copies of your identification documents, see page 4 (please tick when attached)

B2 CORPORATION, CORPORATE TRUSTEES & PARTNERSHIP DETAILS

Name

Name of Contact Person

Registered Office Address:

Principal Place of Business:

Type of Company:

Public

Private

Country of Registration

Australian Business Number (ABN) or
Foreign Company ID Number

Australian Tax File Number or
Tax Reference Number in country of residence

For a private company

(1) How many directors are there?

Directors' Full Names (IN CAPITALS)

(1)

(2)

(3)

(4)

(5)

(6)



If there are more than 6 directors, please provide all their names on a separate page and include it with your application form

Tick if you have provided names and details of additional directors.

(2) Provide the following details for all individuals who beneficially own 25% or more of the company's issue capital.

Same as Investor 1 (See B1 or B2 for details)

Same as Investor 2 (See B1 or B2 for details)

Additional Individuals

Name

Residential Address

Name

Residential Address

Name

Residential Address

B3 TRUSTS or SUPER FUND DETAILS

Name of Trust or Fund

Country of Establishment

Australian Business Number (ABN) or Foreign Company ID Number

Australian Tax File Number or Tax Reference Number in country of residence



A certified copy of the Trust Deed is attached to this application (please tick if applicable)

NOTE: As the Responsible Entity only recognises the Trustee(s) as the investor and not the beneficiary, the Trustee(s) details must be given above. However the Responsible Entity is also required to record the beneficiary details.

BENEFICIARY 1 Same as Investor 1 (See B1 or B2 for details)

Name

Residential Address

Australian Business Number (ABN) or Foreign Company ID Number

Australian Tax File Number or Tax Reference Number in country of residence

BENEFICIARY 2 Same as Investor 2 (See B1 or B2 for details)

Name

Residential Address

Australian Business Number (ABN) or
Foreign Company ID Number

Australian Tax File Number or
Tax Reference Number in country of residence



If there are more than 2 beneficiaries, please provide full details for each on a separate page and include it with your application form.

Tick if you have provided names and details of additional beneficiaries.

SECTION C - Account Contact Details

Joint investors with different residential addresses must elect one postal address in this section.

Account Designation (optional)

Main Contact

Residential Address

Suburb

State

Postcode

Country

Email Address

Home Phone

Work Phone

Fax

Mobile

SECTION D - Investment Details

I/we apply to invest \$ in Clime Australian Value Fund **Retail Units**.

I/we apply to invest \$ in Clime Australian Value Fund **Wholesale Units**.

Please tick the box to advise how your payment will be made:

Cheque

Please make cheque payable to: Clime Australian Value Fund – Application A/C

Direct Deposit (EFT)

Bank: National Australia Bank (NAB)

BSB: 082 401

Account Number: 175 435 858

Account Name: Clime Australian Value Fund – Application A/C

Reference: [Applicant(s) Name]

For EFT payments, proof of payment should be faxed to: **Fund BPO on +61 2 9251 3525.**

Please Note: For both cheque and EFT payments, funds must be transferred from a bank account in the name of the registered unitholder(s). No third party payments will be permitted.

SECTION E - Distribution Election

You can elect to have distributions reinvested, or paid into your account. Please note that if no election is made, your distributions will be reinvested.

Yes, please reinvest my distributions as additional Units

No, please pay my distributions directly into my account in Section F below

SECTION F - Bank Account Details

All investors must complete this section with an Australian banking institution, for distributions and redemptions.

Bank Name/Institution

Branch Name and Address

BSB

Account Number

Account Name

SECTION G - Operating Authority

When giving instructions to us about your investment please indicate who has authority to operate your account:

INDIVIDUAL/JOINT ACCOUNTS (if no box is ticked we will assume all to sign)

any one to sign

both to sign

COMPANY, TRUST AND OTHER ACCOUNTS (if no box is ticked, all future written instructions must be signed by two directors/trustees, director and secretary, or the sole director)

any one to sign

any two to sign

all to sign

other

SECTION H - Request for Annual Report (optional)

The accounts for the Fund are available to investors on our website www.clime.com.au/products/managed-fund/ each year.

Leave both boxes blank if you wish to receive a copy by post. Select requests that you tick one of the boxes as it is costly for the Fund to print and mail out the Annual accounts. If you change your mind, contact the administrator.

Receive as an Email Attachment (you must provide your email address in Section C)

View the report on the website

SECTION I - Privacy

Clime may wish to contact you about future investment opportunities that may be of interest. Please tick the box if you do NOT wish to be contacted for this purpose.

I/We do not wish to receive information from Clime regarding future investment opportunities.

SECTION J - Providing Identification - New Investors Only

I/We confirm I/we have attached certified copies of the required proof of identification with this application form for each investor/applicant.

SECTION K - Declarations & Signatures

PLEASE READ THE PRODUCT DISCLOSURE STATEMENT (WHICH INCORPORATES THE ADDITIONAL INFORMATION BOOKLET) IN FULL BEFORE SIGNING THIS APPLICATION FORM.

By completing the application form you:

1. Declare that you have read and understood the Product Disclosure Statement (which incorporates the Additional Information Booklet).
2. Agree to the collection, use and disclosure of your personal information provided in the application form.
3. Declare that you have received the PDS (which incorporates the Additional Information Booklet) personally, or a printout of it, accompanied by or attached to the application form before signing the form.
4. Declare that all information provided in the application and/or any other information provided in support of the application is true and correct.
5. Agree to give further information or personal details to Select, the Administrator and/or Clime if it reasonably believes that it is required to meet its obligations under Anti-Money Laundering and Counter-Terrorism (AML/CTF) or taxation legislation.
6. Represent and covenant that the funds you are investing are not the proceeds of crime, money laundering, nor connected with the financing of terrorism.
7. Agree that the Issuer may in its absolute discretion determine not to issue units to you and may cancel or may redeem any units issued to you if Select believes such action to be necessary or desirable in the light of its obligations under the AML/CTF Act or any related legislation.
8. Declare if you have received the PDS (which incorporates the Additional Information Booklet) from the internet or other electronic means, that it was either received personally or that a printout accompanied the application form before making an application for units in the Clime Australian Value Fund.
9. Acknowledge that neither Clime or Select (AFSL No. 223271), the custodian nor any member of their respective groups nor any of their directors nor associates nor any other entity guarantees the performance of the Fund or the repayment of capital invested in the Fund, or income from the Fund.
10. Declare that if the application is signed under power of attorney, you have no knowledge of the revocation of that power of attorney.
11. Declare that you have the power to make an investment in accordance with the application.
12. Declare that sole signatories signing on behalf of a company are signing as sole director or as a sole director/secretary of the company.
13. Acknowledge that an investment in the Fund is subject to risks including possible delays in repayment and possible loss of capital invested
14. Agree to be bound by the provisions of the Constitution governing the Clime Australian Value Fund referred to in the PDS (which incorporates the Additional Information Booklet) as amended from time to time.
15. Agree to be bound by the terms of the PDS (which incorporates the Additional Information Booklet) as amended or reissued from time to time.
16. Acknowledge that the PDS (which incorporates the Additional Information Booklet) does not constitute an offer in any jurisdiction in which, or to any person of whom it would be unlawful to make the offer.
17. Declare that if investing as a trustee on behalf of a superannuation fund or trust you are acting in accordance with your designated powers and authority under the trust deed. In the case of a superannuation fund, you also confirm that the fund is a complying superannuation fund under the Superannuation Industry (Supervision) Act.
18. Acknowledge that all information relating to this application for investment or any subsequent information relating to this investment may be disclosed to any service provider to the Fund and to your adviser. You understand this will not include disclosure of your TFN, ABN or any information in relation to it to your adviser.
19. If you use the facsimile or email facility you:
 - (a) Release, discharge and agree to indemnify Select and its agents, including the registrar and their respective officers from and against all losses, liabilities, actions, proceedings, accounts, claims and demand arising from instructions received under the facility.
 - (b) Agree that a payment made in accordance with the conditions of the facility shall be in complete satisfaction of all obligations to you for a payment, notwithstanding it was requested, made or received without your knowledge or authority.

Signature of Investor 1

Name of Investor 1 Date

Tick Role (Companies only) Sole Director Director Secretary

Signature of Investor 2

Name of Investor 2 Date

Tick Role (Companies only) Sole Director Director Secretary

POST APPLICATION, ID DOCUMENTS (& CHEQUE) TO FUNDBPO PTY LTD: GPO BOX 4968 SYDNEY NSW 2001

Adviser Use Only

Adviser Name (in full)

Adviser Postal Address

Suburb State Postcode

Adviser Phone (BH) Adviser Email

Adviser Code with Clime (if known)

Dealer Group Name

Dealer Group Brandh (Suburb, State)

Dealer Group Postal Address

Dealer Group Phone (B.H) Dealer Group Email

Dealer Group Code with Clime (if known)

Adviser AFSL Number Adviser ABN

ADVISER STAMP

CMC Markets Stockbroking
Stock & Share Broker
ACN 081 002 851 266-2
Level 13, 130 Pitt Street
Sydney NSW 2000

ADVISER FEES

Contribution Fee . %

Adviser Service Fee . %

Please refer to Adviser Service Fees
in the Additional Information Booklet
on page 6.



Clime Asset Management Pty Ltd ABN 72 098 420 770 | AFSL Number 221146
Level 5, 352 Kent Street Sydney NSW 2000 Australia | PO Box Q1286 Queen Victoria Building NSW 1230 Australia
P 1300 788 568 **F** +61 2 8917 2155 **E** info@clime.com.au **W** www.clime.com.au

Clime Australian Value Fund (CAVF) Product Disclosure Statement

ARSN 126 118 189
Retail investor APIR Code: CRE0001AU
Wholesale Investor APIR Code: CRE0005AU
Dated 24 June 2013

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Clime Asset Management Pty Limited (**Clime** or **Investment Manager**) is the investment manager of the Clime Australian Value Fund (the **Fund**).

Select Asset Management Limited (**Select, we** or **us**) is the responsible entity of the Fund and the issuer of this product disclosure statement (the **PDS**).

This PDS is a summary of significant information and contains a number of references, marked with an asterisk (*), to important additional information contained in the Additional Information Booklet which forms part of this PDS, available at www.clime.com.au/products/managed-fund/ or free from us on request.

You should read all of that information before making any decision about the Fund. The information contained in this PDS is general information only and does not take account of your personal financial situation or needs. You should obtain financial advice tailored to your personal circumstances.

The information in this PDS is subject to change from time to time. If a change is not of such a nature that you would be materially adversely affected by not receiving it, the PDS may be updated by notice at www.clime.com.au/products/managed-fund/ and you can request a paper copy free of charge from us or your adviser. Otherwise, we will replace this PDS.

You may request a free printed copy of this PDS and the Additional Information Booklet and any other document or policy mentioned in or incorporated into the PDS by calling Clime on 1300 788 568, or Select on 02 8252 2200 during business hours.

1. About the Responsible Entity

About the Responsible Entity

Select is the responsible entity for the Fund, responsible for its operation in accordance with the Fund's constitution, the Corporations Act and trust law. Founded in December 2002, Select is a professional responsible entity. For more information, visit www.selectfunds.com.au.

About the Investment Manager

About Clime

Clime Asset Management Pty Limited (ABN 72 098 420 770) (**Clime** or **Investment Manager**) is the investment manager of the Fund.

Clime is a wholly owned subsidiary of Clime Investment Management

Limited, a company listed on the Australian Securities Exchange (ASX: CIW). Clime is an Australian fund manager specialising in value investing in the Australian stock market according to a proprietary valuation methodology.

Clime is dedicated to providing value to its clients, and this is reflected in its corporate values of integrity, transparency and conviction. It is Clime's goal to provide access for all investors to a strategy and products intended to create long-term wealth.

Investment philosophy

As a value investor, Clime firmly believes that price and value are entirely different. Price is what we pay, and value is what we receive. As an Investment Manager, Clime will only buy shares in attractive companies when they are offered in the market at a discount to its calculation of their assessed value. Using proprietary valuation methodology, Clime carefully determines the value of the companies in which it invests.

Its investment process is underpinned by three fundamental beliefs:

1. Capital Preservation

The preservation of capital is critical to maximise the investment return.

Clime preserved its clients' capital during the worst financial downturn in over 70 years during the GFC. They did this by increasing exposure to cash, and by focusing investments on those companies and hybrid securities most likely to be able to endure a period of lacklustre growth or even recession.

2. Sustainable Return on Equity

The sustainable return on equity of a company determines the value of the company.

Clime distinguishes between profit and profitability. The profit of a company can be easily manipulated. However, it is the long-term profitability, as measured by Return on Equity, that is the focus at Clime.

Return on Equity allows one to understand the financial resources that have been applied to create the company's profit.

Put simply, it makes a difference to a company's value if a profit of \$100,000 was generated from a capital base of \$1 million or \$10 million – that is, a Return on Equity of either 10% or 1%.

Clime is unique in that it 'normalises' the return on equity as an owner. Clime goes further in deriving value for its clients by ensuring that the return on equity it calculates includes the benefit of franking credits on the dividends paid.

3. Value and share price convergence

The share price of a company is not the value of the company. Clime views the volatility in the stock market as the mechanism by which it can actively manage positions in companies.

In the short term, share price swings are driven by many factors that are unrelated to value. Over time, a company's share price will ultimately be guided by its economic performance.

The movements in a company's share price create opportunities to purchase a portfolio of attractive companies at prices below the assessment of their real value.

The extent of this undervaluation is known as the margin of safety.

In today's volatile marketplace, Clime believes it offers a sensible approach for your financial needs.

2. How the Fund works

A managed fund

The Fund is a unit trust, registered by the Australian Securities and Investments Commission (ASIC) under the Corporations Act. When you invest your money in the Fund, it is pooled together with other

investors' money. This larger pool of money is used to buy investments on behalf of all Fund investors. An independent professional custodian holds the Fund assets for us.

An investor's interest in the Fund is represented by a number of units, each class of which has identical rights (such as a right to any distributions, certain fees and to vote) and a value which will vary as the market value of assets in the Fund rises and falls. As a unit holder, each investor also has some obligations to us. Investors have no direct interest in the assets of the Fund.

You can increase your investment by applying and paying for more units, and the number of units issued depends on the amount you invest and the unit price at the relevant time. You can decrease your investment by withdrawing (or redeeming), and the number of units redeemed depends on the amount you withdraw and the unit price at the relevant time.

Wholesale and retail units

Wholesale investors – generally considered as those who invest at least \$500,000 initially (including administration platforms) – pay lower fees and are issued wholesale units. Other investors are considered **retail investors**, are issued retail units and pay different fees. See section 6 for details.

Investing for the first time

Simply complete a current paper **Application Form** and send it to our **Administrator**:

FundBPO Pty Limited
GPO Box 4968
Sydney NSW 2001
registry@fundbpo.com

The minimum initial investment for retail investors is \$10,000.

We accept cheques and direct deposit, but not cash:

Cheque: write a cheque payable in Australian Dollars crossed "Not negotiable" and made out to:

Clime Australian Value Fund – Application A/C

Direct deposit: application money should be deposited directly into the following account and details of the deposit must accompany the application form. Proof of payment must be sent to FundBPO by email at: registry@fundbpo.com or fax to: +61 2 9251 3525.

Bank: National Australia Bank
BSB: 082 401
A/c no: 175 435 858
A/c name: Clime Australian Value Fund – Application A/C
Reference: [applicant(s) name]
SWIFT: NATAAU3302S

SWIFT is only relevant for international funds transfers.

Investing regularly

The Fund has a regular contribution scheme, or savings plan. Use the **Savings Plan Direct Debit Request Authority** to start contributing as little as \$100 per month to the Fund automatically from a nominated bank account on or shortly after the 15th calendar day of each month. You can download this form from Clime's website or contact the Administrator on 1300 133 451. Send it to our Administrator.

Your bank may charge you fees if you have insufficient money there when we go to debit your bank account. We or your adviser will usually try to contact you if we or they know a transaction has failed so that you can sort it out with your bank. Contact our Administrator anytime on 1300 133 451 if you wish to stop your savings plan.

Investing more

To invest more outside the savings plan, simply contact our Administrator in writing – don't forget your investor name and number – or you can complete another Application Form. You can add as much as you wish to your account, but the minimum additional investment outside our

savings plan is \$1,000. Direct deposit and cheque are both available, as noted above.

Further investments are made on the basis of the PDS current at the time of further investment.

Processing

Applications received before 12pm on a Sydney business day are generally processed by the next Sydney business day, assuming we have everything we need. Once lodged, applications cannot generally be withdrawn. Any interest on lodged application moneys is credited to the Fund. Applications are almost always accepted, however Select has discretion to refuse any application and does not need to give a reason. Those who are investing directly into the Fund rather than through an investment platform – **direct investors** – will receive confirmation whenever they invest.

Indirect investors – those who are accessing the Fund through an investment platform – need not complete our form to invest or to invest more. Contact the operator of your platform. Remember, processing times may be slightly longer overall, and minimum investment amounts and savings plan arrangements may be different.

Withdrawing

You generally have access to your investment anytime. In some circumstances, such as when there is a freeze on withdrawals, investors may not be able to withdraw their funds within the usual period upon request – see below for details.

To withdraw, use the **Request for Withdrawal Form** available from Clime's website or simply contact our Administrator on 1300 133 451 – don't forget your investor name and number. Withdrawal requests can be posted, faxed or emailed but telephone requests aren't accepted.

The minimum withdrawal is \$1,000, but usually we require a minimum balance of \$10,000 for retail accounts and \$500,000 for wholesale accounts.

Withdrawals are paid to your nominated account, normally within 5 Sydney business days of processing and in any case within 30 days of the receipt of your Request for Withdrawal Form or such shorter period at our discretion. We do not pay cash or by cheque. Withdrawal forms which are complete and received before 12pm on a Sydney business day are generally processed by the next Sydney business day. Once lodged, withdrawal forms cannot generally be withdrawn. Maximum withdrawal periods that may apply are contained in the Fund's constitution, available free from us.

Deductions are made for any money you owe relating to your investment.

Again, indirect investors – those who are accessing the Fund through an investment platform – need not complete our forms. Processing times may be slightly longer overall. Speak to your platform operator for details.

The price of units

Unit prices for each Sydney business day can be found at Clime's website www.clime.com.au/products/managed-fund.

Unit prices are based on the net asset value of the Fund and will vary as the market value of the assets of the Fund rises and falls. The unit prices for issuing and withdrawing are slightly different: this difference is called the "spread" and Section 6 of this PDS gives more detail.

We have a policy which sets out the guidelines and relevant factors and discretions for calculating unit prices. A copy (and records of any departures from the policy) is available from us on request.

The unit price of the Fund is determined at least each Sydney business day, based on the information most recently available. Unit prices are calculated in 3 steps:

- the value of the assets of the Fund is calculated, and value of the liabilities subtracted – this gives the "net asset value",
- this is divided by the number of units on issue, and

- an adjustment is generally made for transaction costs (or spread) – see Section 6 of this PDS.

Delays

- Access to your money can be delayed in limited circumstances, including where:
- the Fund becomes illiquid (the law dictates this, and if this happens, at our discretion some money can be made available for withdrawals, to be allocated on a pro rata basis among those wanting to withdraw), and
- we are unable to realise sufficient assets to satisfy a withdrawal request due to circumstances outside our control.

Unit prices are generally calculated at the time the delay ends.

Compulsory redemptions

We can redeem your investment without asking in order to recover money you owe us, or if in withdrawing you fall below any minimum account balance from time to time.

Distributions

Distributions are paid half yearly at 30 June and/or 31 December subject to the discretion of the responsible entity. Your distribution will be reinvested unless you have chosen on the application form to have distributions paid to you in which case they will be paid to your bank account.

Indirect investors should read the relevant administration platform guide for details about distributions.

Depending on your personal circumstances you may need to make a cash payment to the Australian Taxation Office (ATO) for tax on your distribution, even if your distribution is reinvested. Unit prices fall after the end of each quarter, reflecting the fact that distributions have been paid and there is less money in the Fund.

3. Benefits of investing in the Fund

SIGNIFICANT FEATURES	
Investment objective	The Funds seeks capital growth and income over the medium term
Benchmark	A performance fee is payable in respect of a financial year if the Fund's performance (after management fees and ordinary expenses) exceeds 12% p.a. but before any performance fee, but any past negative performance must be caught up first
ASX listed exposure	A concentrated portfolio (approximately 25 securities) of Australian Securities Exchange (ASX) listed securities
Regular income	Aims to distribute 6 monthly income
Suitability	Those investors with a medium risk tolerance
Investment timeframe	Suggested minimum 3 to 5 years
Minimum initial investment	\$10,000 retail accounts \$500,000 wholesale accounts
Minimum additional investment	\$1,000 (\$100 per month through our savings plan)
Minimum balance	\$10,000 retail accounts \$500,000 wholesale accounts
Management costs	0.87% p.a. – 1.03% p.a. (see Section 6 for details)

Performance fee	15.38% of any amount by which the Fund outperforms the rate of 12% p.a., with a high water mark (see Section 6 for details)
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Distributions	Half yearly, and unless you choose otherwise, distributions are automatically reinvested
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Applications and withdrawals	Each Sydney business day
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4. Risks of managed investment schemes

All investments carry risk. Different strategies may carry different levels of risk depending on the assets that make up the strategy. Assets with the highest long-term returns may also carry the highest level of short-term risk.

Neither returns nor the money you invest in the Fund is guaranteed and investors may lose as well as make money.

The significant risks of the Fund include the following.

Investment risk This is the risk that the value of an individual investment in the Fund may change in value or become more volatile, potentially causing a reduction in the value of the Fund and increasing its volatility. Reasons can be many, and include changes in an investment's operations, management or business environment, or what people think of the investment. It can lead to default of an entity to which the Fund has an investment exposure. The Fund is sector unaware and as a result the Fund may have a concentrated or no exposure to a specific sector.

Market risk This is the risk that an entire market, country or economy (such as Australia) changes in value or becomes more volatile, including the risk that the purchasing power of the currency changes (either through inflation or deflation), potentially causing a reduction in the value of the Fund and increasing its volatility. Reasons can be many, and include changes in economic, financial, technological, political or legal conditions, natural and man-made disasters, conflicts and changes in market sentiment.

Interest rate risk This is the risk that changes in interest rates can have a negative impact on certain investment values or returns. Reasons for interest rates changes are many and include changes in inflation, economic activity and Central Bank policies.

Borrowing risk Although the Fund does not intend to borrow, the Fund does have an ability to borrow in the short-term to manage withdrawals and distributions, or short terms portfolio obligations. Risk associated with borrowing includes that it magnifies both good and bad returns.

Credit Risk Credit risk is the risk that the security issuer in respect of fixed income products, notes and certain hybrid securities will default on payment of interest or principal. The potential returns offered by financial products in this sector contain compensation for the higher credit risk.

Valuation risk The value of the Fund's underlying investments, as obtained from independent valuation sources, may not accurately reflect the realisable value of those investments. The Fund seeks to reduce this risk by seeking that all the assets of the Fund are valued independently on a daily basis and wherever possible using market prices.

Liquidity risk This is the risk that your withdrawal requests cannot be met when you expect. Because cash is paid to your account when you withdraw, investments of the Fund may need to be sold to pay you. Depending on factors such as the state of the markets (for example through a lack of buyers), selling investments is not always possible, practicable or consistent with the best interests of investors. This is one of the reasons why the constitution for the Fund specifies limited circumstances where there could be a delay in meeting your withdrawal request. The law sometimes restricts withdrawals.

The Fund is not listed on any stock exchange, so selling your units through a stockbroker is not possible and, although you may sell your units, you may not find a buyer or a buyer at the price you want.

Structure risk This is the risk associated with having someone invest for you.

Risks associated with investing in the Fund include that it could be terminated, there can be changes in the responsible entity or at the investment manager (for example if key individuals were no longer involved in managing the Fund), someone involved with your investment (even remotely) does not meet their obligations or perform as expected, assets may be lost, not recorded properly or misappropriated, laws may adversely change, insurers may not pay when expected or insurance may be inadequate.

Investment decisions by investment managers such as Clime, although taken carefully, are not always successful. Investing through an administration platform also brings some risks that the operator of the administration platform may not perform its obligations properly. Investing in the Fund may give inferior results compared to investing directly (where for example you avoid the impact of others coming and going and may be able to manage your tax situation better).

Managing risk As risk cannot be entirely avoided when investing, the Fund aims to identify and manage risk as far as is practicable.

Whenever investments are made, the potential for returns in light of the likely risks involved are carefully assessed.

Risk is considered at every stage and level of the investment process. As far as is practicable, risk is managed at both the individual investment and the Fund level.

However, many risks are difficult or impracticable to manage effectively and some risks are beyond our and Clime's control altogether.

Although the Fund is not the same as a bank account, the Fund does have a conservative investment approach: see section 5 where some of the steps taken to manage risk are discussed.

Risk generally The significant risks of investing in managed investment schemes generally include the risks that:

- the value of investments will vary,
- the level of returns will vary, and future returns will differ from past returns,
- neither returns nor the money you invest in the Fund is guaranteed and investors may lose as well as make money, and
- laws change.

The level of risk for you particularly will vary depending on a range of other factors, including age, investment time frame, how other parts of your wealth are invested, and your risk tolerance. If you are unsure whether this investment is suitable for you, we recommend you consult a financial adviser. If you have questions about the Fund, feel free to contact Clime.

Further information about the risks of investing in managed investment schemes can be found on ASIC's MoneySmart website at www.moneysmart.gov.au.

5. How we invest your money

Warning: you should consider the likely investment return, risk and your investment timeframe when choosing to invest in the Fund.

Investment objective

The Fund seeks capital growth and income over the medium term.

Recent performance of the Fund is available at Clime's website.

This investment objective is not intended to be a forecast. It is only an indication of what the investment strategy aims to achieve. The Fund may not achieve its investment objective. Neither returns nor the money you invest in the Fund is guaranteed and investors may lose as well as make money. Past returns are not a reliable indicator of future performance. The suggested minimum investment timeframe is 3 to 5 years.

What the Fund invests in

The Fund invests in a concentrated portfolio (approximately 25 securities) of ASX listed securities and may hold some cash.

Active management

The Fund is actively managed by Clime.

Clime's investment process is based on its core investment style and follows a strict portfolio selection process which encompasses both a bottom up stock selection component and top down macro component. The return on equity is a key focus in the selection process for the identification of listed shares that are in the portfolio.

Clime firmly believes that price and value are entirely different. Price is what one pays but value is what one receives. Clime's aims include to pay a lower price for a share than the value received. Whilst the share price of a company is freely observable, the value of the company is not. Clime's investment process identifies companies that have the requisite attractive company characteristics. Clime then applies its consistent valuation methodology, calculates a valuation for each company and identifies those attractive companies whose share price is below Clime's assessment of value.

Cash, borrowing and derivatives

When attractive opportunities are not available, the Fund may remain invested in cash or cash equivalents.

Clime only intends to borrow for the short term, generally to meet redemptions, distributions, or short-term portfolio obligations, and then only if they consider borrowing to be prudent and in the best interests of all investors. The Fund does not use derivatives.

No labour standards or environmental, social or ethical considerations are taken into account in the selection, retention or realisation of investments relating to the Fund.

Risk measure

Clime considers that the "standard risk measure" appropriate for this Fund is a medium risk rating, which means that the estimated number of negative annual returns over any 20 year period is 2 to less than 3. On a scale of 1 to 7 where 7 is riskiest in this respect, the Fund is in category 4.

The standard risk measure is based on industry guidance to allow investors to compare investment options that are expected to deliver a similar number of negative annual returns over any 20 year period. It is not a complete assessment of all forms of investment risk, for instance it does not detail what the size of a negative return could be or the potential for a positive return to be less than an investor may require to meet their objectives. Further, it does not take into account the impact of fees and tax on the likelihood of a negative return.

There is also an inherent uncertainty in relation to this, as the Fund has not been operating over a 20 year period.

Investors should still ensure they are comfortable with the risks and potential losses associated with the Fund.

6. Fees and Costs*

DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on 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 us 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 investment fee calculator to help you check out different fee options.

The information in the following table can be used to compare fees and costs between different simple managed investment schemes. These fees and other costs may be deducted from your account balance, from the returns on your investment, or from the Fund's assets as a whole.

TYPE OF FEE OR COST	AMOUNT
Fees when your money moves in or out of the Fund:	
Establishment fee	Nil
Contribution fee	0% – 4.4% Where the law allows and you have agreed with your adviser they be paid some of your initial investment, we will deduct this from your initial investment and any additional investments, up to a maximum of 4.4%. If you don't use an adviser or law prohibits this, the contribution fee will be nil.
Withdrawal fee	Nil
Termination fee	Nil
Management costs – the fees and costs for managing your investment	
Investment Management Fee	Retail accounts: 1.03% p.a. Wholesale accounts: 0.87% p.a. These fees are calculated and accrued daily and are paid monthly in arrears out of the Fund's assets. These fees may be negotiable for wholesale clients.
Expenses	0.52% p.a. This is generally the maximum payable from the Fund – see below for details. This fee is not negotiable.
Performance Fee	If earned, this is 15.38% of any amount by which the Fund outperforms the rate of 12% p.a. (details are below). This fee is not always payable. Not only must performance exceed the 12% p.a. benchmark, but any past negative performance must be caught up first – that is, there is a high water mark. When payable, it is calculated and payable at the end of each financial year. This fee is not negotiable.

Investment Management Fee

Investment Management Fee represents Clime's investment management fee.

For retail investors the investment management fee is 1.03% p.a. and for wholesale investors it is 0.87% p.a.

Expenses

Expenses incurred in connection with the Fund are payable or reimburseable out of the assets, but ordinary expenses are capped at 0.52% p.a., in this case being a percentage of the gross asset value of the Fund.

Clime will pay any ordinary expenses above this, unless they are unusual expenses – such as investor meetings, Fund termination costs or expenses arising from any dispute management – in which case they may be additionally deducted from the assets.

Expenses are accrued each day and paid monthly in arrears at the level mentioned above and reflected in the unit price, and from time to time are adjusted if actual expenses are lower, and a credit is paid back to the Fund at that time.

Performance Fee

A Performance Fee is also payable when Fund returns are above both a "benchmark" and a "high water mark".

The **benchmark** is a Fund return of 12% p.a., after Investment Management fee and ordinary expenses, but before any Performance Fee (the **Benchmark**).

The **high water mark** is that Fund performance must also be higher than any previously achieved performance level.

If Clime successfully manages the Fund so as to outperform the Benchmark and the high-water mark, it is entitled to a Performance Fee.

Any Performance Fee entitlement is calculated at the end of each financial year, and if payable, is deducted shortly after this. Any entitlement accrues in the unit price through the period.

Adjustments to Performance Fee calculations are made to take account of applications, withdrawals and distributions.

The Benchmark is not intended to be a forecast. It is only an indication of what Clime aims to achieve to earn its Performance Fee. The Fund may not perform. Returns are not guaranteed.

Buy-sell spread

You pay for transaction costs associated with the buying and selling of the Fund's investments through the Buy and Sell Spreads. Money is not actually deducted from your investment or withdrawal amount. Instead, the entry price is made 0.25% higher and the exit price is made 0.25% lower. For example, if you invested \$1,000 in the Fund then a buy spread \$2.50 would apply. Buy Spreads do not apply to reinvested distributions.

Other fees and costs

Investors accessing the Fund through an investment platform are likely to also be paying fees for using that platform. Ask your platform operator for details.

If there is not enough money in your bank account when we debit it for a regular investment into the Fund, your bank may charge you fees. Ask your bank for details.

Government fees, duties and bank charges may also apply to investments and withdrawals and these would be paid by the Fund or you.

Warning: Fees may also be paid to your financial advisers. Ask your adviser and refer to any Statement of Advice your adviser may provide you.

Changes

We may change the fees and costs without your consent. You will receive at least 30 days' notice of any increase. In any case, you cannot be charged more than the constitution for the Fund allows. Such a change to the constitution requires approval of investors.

Commissions and other payments

Neither Clime nor Select pay commissions to financial planners in respect of investments in the Fund.

Subject to the law, fees charged in relation to the Fund may be paid to others.

We maintain a register of alternative remuneration of \$300 or more paid to (and received from) financial service licensees and advisers. You can inspect this during business hours by contacting us.

Investing on the best terms

Clime aims to invest on the best terms possible. If the Fund invests on an institutional basis, Clime aims to secure fee reductions. Often paid by a rebate, these amounts are paid into the Fund for the benefit of all investors.

We look after our employees

We can choose not to charge members of our and Clime group staff, and those people associated with them, Investment Management Fees on their investments, as permitted by ASIC policy.

Large investments

Very large investors are important to any investment management business. Large amounts provide buying power, for example, from which all investors benefit. Clime and Select can choose not to charge large investors some or all fees on their investments, or may pay them some of its own fees. ASIC generally regulates how this can be done. We can also do this by way of issuing different classes of units. We are not permitted to enter into individual fee arrangements with investors who are not wholesale clients as the Corporations Act defines this.

Example of annual fees and costs

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

The following example is for a retail investor, where no Performance Fee is payable.

EXAMPLE		Balance of \$50,000 including a contribution of \$5,000 at the beginning of the year
Contribution Fee	0 to 4.4%	For every additional \$5,000 you put in, you will be charged a contribution fee of between \$0 and \$220.
PLUS management costs	1.55% p.a.	And, for every \$50,000 you have in the Fund you will be charged \$775 each year.
EQUALS Cost of the Fund		If you put in \$5,000 at the beginning of the year and your balance was \$50,000, then you would be charged fees of between \$775 and \$995. What it costs you may depend on the fees you negotiate with your financial adviser.

The management costs are lower for wholesale investors. The total management costs – being Clime's Investment Management Fee plus expenses – will range from 1.39% p.a. to 1.55% p.a., depending on what type of investor you are (retail or wholesale). Fees could be higher if a performance fee is earned by Clime. They can be lower if expenses are less than the level of the expenses cap.

Other fees examples –including showing fees where performance fees are earned – are shown in the Additional Information Booklet, available at Clime's website or free from us on request.

You should go to the corresponding heading of the Additional Information Booklet to understand these and other important matters.

7. How managed investment schemes are taxed

Warning: Investing in a managed investment scheme is likely to have tax consequences.

You may need to pay tax in relation to your investment in the Fund, generally income or capital gains tax, but you might be able to claim some tax credits or have the benefits of some concessions. Your tax liability depends on your circumstances and it is recommended that you seek professional advice before you invest or deal with your investment.

We will send you information each year to help you complete your tax return.

You may have a tax liability when you receive distributions from the Fund. The amount depends on what makes up the distributions, and on your personal financial circumstances. Distributions could comprise:

- income (for example, dividends and interest),
- net capital gains (from the sale of Fund investments),
- tax credits (for example, franking credits attached to dividend income and credits for tax paid on foreign income), and
- tax deferred income.

You may have a tax liability when you withdraw from the Fund. Australian residents are generally subject to capital gains tax on gains when they withdraw any money for themselves or to invest in another fund or transfer units to someone. Depending on the kind of taxpayer you are, and how long you have held your units, you may be entitled to a capital gains concession which can reduce the liability by up to one half.

You do not have to tell us your TFN or ABN, but most people do. If you choose not to and you do not have an exemption, we must deduct tax at the highest personal rate, plus the Medicare levy, before paying any distribution to you.

8. How to apply

Three steps

1. Read this PDS, including the Additional Information Booklet available at Clime's website or from us free on request.
2. Complete the **Application Form** and send it to the Administrator:
FundBPO Pty Limited
GPO Box 4968
Sydney NSW 2001
registry@fundbpo.com
3. Once they have received your application, any required identification material and your payment, you will be sent confirmation of your investment, generally within 7 Sydney business days.

To use the savings plan, you must also complete the **Savings Plan Direct Debit Request Authority**.

You can download forms from Clime's website or contact the Administrator on 1300 133 451.

Cooling off

Once lodged, applications cannot generally be withdrawn. However the law provides that direct investors can change your mind: you have 14 days, starting on the earlier of when your confirmation that you are invested is sent, or the end of the 5th day after the day on which your units are issued. In this case, your money will be repaid, although adjustments are made for market movements up or down, as well as any tax and reasonable transaction and administration costs (for example, if you invest \$10,000 and the value of the units falls by 1% between the time you invest and the time your request to withdraw your investment is actioned, you could be charged \$100 on account of the reduced unit value plus and an administration fee which will exceed \$100).

Complaints

If you wish to lodge a complaint please contact us. We will attempt to resolve your concerns within 45 days. If you remain unhappy we will always tell you other steps you can take. One of these is to take your complaint to:

The Financial Ombudsman Service
GPO Box 3, Melbourne, Victoria, 3001
T: 1300 78 08 08 | E: info@fos.org.au.

FOS is independent of Select and Clime.

FOS has some rules which may change from time to time, including that the claim involved must generally be under \$500,000.

Current details can be obtained from www.fos.org.au.

If you are investing through an administration platform then complaints should be directed to the operator of your administration platform, not to us.

9. Additional Information

Keeping you informed

We send to you an initial confirmation statement, transaction statements, quarterly distribution statements, together with an annual holding statement and taxation statement.

Monthly investment reports and other information on your investment such as unit prices are available at Clime's website. Each September, the Fund's accounts will be available at Clime's website (we will also email or mail them to you if you wish).

Copies of documents we may lodge with ASIC (such as any half-year and annual financial reports) may be obtained from or inspected at an ASIC office. We will send you copies of any document which we lodge, if you request.

We will make information required to be disclosed under continuous disclosure obligations available at Clime's and our website, and you can request a paper copy free of charge from us anytime.

Information that is not materially adverse information is subject to change from time to time. Where this occurs, a website notice will be created at Clime's and our website. A paper copy of any updated information will be given to any person without charge on request.

Information about you

It's important to keep your details with us up to date – please contact us to correct them if required. You must provide in a timely way all information regarding you and your investment which law requires, for example, regarding your identity or the source or use of invested moneys.

Your rights and other important issues

Our legal relationship with direct investors is governed by the Fund's constitution together with this PDS and certain financial services laws. Some provisions are discussed elsewhere in this PDS and others include:

- the nature of units of the Fund (all units of each class are identical),
- our powers (and how and when we can exercise them),
- when the Fund terminates (we can terminate the Fund at any time and the relevant investors share the net proceeds on a pro-rata basis),
- when we can retire and what happens if we do (usually another responsible entity will be appointed), and
- changing the constitution (we need investors' approval for any changes which are adverse to rights).

The investments of the Fund can be combined with other assets but never our own assets. We will send you a copy of the constitution free of charge if you ask.

Transferring your units

Direct investors wishing to transfer your units (including recording change of trustees) should contact us. You often need to pay stamp duty.

Privacy

We respect what you tell us. We use personal information about you to administer your investment, comply with laws and also to conduct research. Clime may also use it to send promotional material to you – if you do not want this, say so using the Application Form or just contact us. We will not share any information that it has about you unless:

- you agree,
- the law requires us to, or a regulator requests,
- we consider that they need the information, or
- to administer your investment.

If you do not provide us with your contact details and other personal information which they ask for, we may not be able to have or keep you as an investor. You may access the personal information about you that we hold. If details we hold about you are incorrect, they will correct free of charge if you contact us. We will have no information about you if you are investing through an administration platform. A copy of our Privacy Policy is available on our website.

Meetings and changes of the responsible entity

Investor meetings are uncommon. Direct investors can generally attend and vote and meetings are largely regulated by the Corporations Act. The quorum is generally at least 2 direct investors present in person or by proxy together holding at least 10% of all units in the relevant class.

Changes of responsible entity are also uncommon. They too are largely regulated by the Corporations Act. Direct investors can requisition a meeting.

Terminating the Fund

We can decide to terminate the Fund anytime, and if we do, we will generally sell all the investments, pay all monies owing (including fees and expenses) and distribute the net proceeds to direct investors as soon as we consider practicable. It can take some time to finalise this process.

Limits on our responsibility

The constitution has some limits on when we are liable to direct investors for example, when we rely in good faith on experts. Subject always to any liability which the Corporations Act might impose on us, if we act in good faith and without gross negligence, we are not liable to direct investors for any loss suffered in any way relating to an investment in the Fund.

The constitution also contains a provision that the relevant constitution is the source of our relationship with direct investors and not any other laws, except those laws we cannot exclude.

Limits on your responsibility

We have included provisions in the constitution designed to protect direct investors. The constitution limits each investor's liability to the value of their investment in the Fund and provides that they will not, by reason of being an investor alone, be personally liable to indemnify the responsible entity and/ or any creditor in the event that the liabilities of the Fund exceed the assets of the Fund. However an absolute assurance about these things cannot be given – the issue has not been finally determined by Australian courts.

Legal

Clime has given and not withdrawn its consent to be named in this PDS in the form and context in which it appears and to inclusion of the statements describing it and its role.

Clime makes no other statements or representations in this PDS. ASIC takes no responsibility for the contents of this PDS.

The offer made in this PDS is available only to persons receiving this PDS in Australia (electronically or otherwise). If you received this PDS electronically, you can request a paper copy free of charge from us during the life of this PDS. Unless otherwise stated, all figures are in Australian dollars and include the net impact of GST.

Investing through an administration platform

An investor through an administration platform is not a direct investor in the Fund, rather they are an "indirect investor", and some things are different for them. Indirect investors:

- are not investors in the Fund (the administration platform operator is the investor),
- do not acquire the rights of an investor (the administration platform operator has these rights),
- do not receive distributions or reports directly from us (we send these to the administration platform operator),
- do not directly participate in investor meetings or directly in any winding up of the Fund (the administration platform operator can participate if it chooses), and
- need not complete the application form or investor identification forms accompanying this PDS.

The minimum amounts to invest and withdraw depend on your administration platform, as do the overall times to invest and withdraw and the costs you pay.

Please read your administration platform guide carefully. Neither Select nor Clime is responsible for the operation of any administration platform, but investors who wish to access the Fund through an administration platform are authorised to use this PDS for that purpose.

Managed and distributed by:

Clime Asset Management Pty Limited
ABN 72 098 420 770 | AFSL Number 221146

Level 5, 352 Kent Street
Sydney NSW 2000 Australia
PO Box Q1286 Queen Victoria Building
NSW 1230 Australia

Email: info@clime.com.au
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