

Product Disclosure Statement

31 January 2019

PLATYPUS
ASSET MANAGEMENT



Platypus Systematic Growth Fund

Issued by: Australian Unity Funds Management Limited ('AUFM' 'Responsible Entity') ABN 60 071 497 115, AFS Licence No. 234454

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This Product Disclosure Statement ('PDS') is a summary of significant information about the Platypus Systematic Growth Fund (ARSN 140 274 737) ('Fund') and contains a number of references to important information, each of which forms part of the PDS.

This reference material is contained in the Additional Information Document available on our website australianunity.com.au/wealth/psgf. You should consider the information in the Additional Information Document before making the decision about whether to invest in the Fund. A reference to 'this PDS' or 'the PDS' includes, unless the context otherwise requires, a reference to both the PDS and to the Additional Information Document.

The information provided in this PDS is general information only and does not take into account your investment objectives, financial situation or particular needs. Before making any decision about this Fund, you should consider the information in this PDS and the reference materials, and obtain financial advice tailored to your personal circumstances.

An investment in the Fund, including through the units offered under this PDS, is not guaranteed or otherwise supported by AUFM or any other member of the Australian Unity Group. You should consider this when assessing the suitability of the investment and particular aspects of risk.

In this document, the description 'we', 'us' or 'our' refers to AUFM.

Certain information in this PDS is subject to change. Information that is not materially adverse can be updated by us. Visit our website for updated and further information on the Fund, including updated disclosure information, unit prices and performance. We recommend that you obtain and review such information before you invest. Alternatively, you can call us on 13 29 39 and we will send you the requested information free of charge.

The PDS has been prepared to comply with the requirements of the laws of Australia. No units are being offered to any person whose registered address is outside of Australia unless AUFM is satisfied that it would be lawful to make such an offer. The distribution of the PDS in jurisdictions outside of Australia may be restricted by law and persons who come into possession of the PDS should seek their own advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. The PDS does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation.

Platypus Asset Management Pty Ltd ABN 33 118 016 087, AFS Licence No. 301294 ('Platypus') has given its consent to all statements in this PDS made by it or based on statements made by it, and has not withdrawn this consent as at the date of the PDS. These statements are in Sections 1, 3 and 5.

The PDS may only be used by investors receiving it (electronically or otherwise) in Australia. No investments will be accepted on the basis of the PDS once replaced with a later PDS.

In this PDS, 'business day' refers to a Melbourne business day on which Australian banks are open for business in Melbourne excluding Saturday and Sunday.

The PDS is available in electronic format, including access via our website. If you receive the PDS electronically, please ensure that you have received the PDS in its entirety. If you are unsure whether the electronic documents you have received are complete, please contact us. Printed copies are available free of charge.

Contact Details

Address

Australian Unity
114 Albert Road
South Melbourne VIC 3205

Website

australianunity.com.au/wealth

Email

investments@australianunity.com.au

Investor Services

13 29 39

Adviser Services

1800 649 033

STRENGTHENED BY



1. About us

Who we are

AUFM is the Responsible Entity for the Fund. It is subject to the provisions of the Constitution of the Fund and the *Corporations Act 2001*. AUFM is responsible for the administration and management of the Fund, and sets the investment policy and objectives.

AUFM is a wholly owned subsidiary of Australian Unity Limited (ABN 23 087 648 888) and is part of the Australian Unity Group of companies which undertake investment activities.

At Australian Unity, we focus on improving the financial wellbeing of our investors. Following this basic principle, we have created a number of successful funds with a focus on the core areas of cash, fixed interest, property and Australian equities.

Appointed investment manager

AUFM may appoint or remove investment managers without notice. Any investment managers appointed will be entitled to receive fees for investment management functions.

Platypus is a joint venture partner with Australian Unity and is the investment manager of the Fund.

Platypus is a specialist boutique investment manager founded in 1998. Platypus' investment approach focuses on identifying high quality Australian companies with strong future growth prospects.

2. How the Fund works

Investor applications into the Fund are pooled to purchase a portfolio of stocks listed or soon to be listed on the Australian Securities Exchange ('ASX'). The Fund aims to outperform the broader Australian equity market over the medium to long term.

So that you know what your investment in the Fund is worth, the total value of the assets is divided into units. We will quote you a price for each unit, each business day and will keep a record of the number of units you hold. The application and withdrawal price of your units is subject to the applicable buy/sell spread.

The price of units will change as the market value of assets in the Fund rises or falls. We will be able to provide you with information about the current unit price to help you decide whether to sell your units or buy more. You can increase your investment at any time while the Fund is open for applications by buying more units in the Fund. Generally, you can decrease your investment by redeeming some or all of your units, although in certain circumstances (such as a freeze on withdrawals) you may not be able to withdraw your investment within the usual period. Withdrawals can be made by using the Withdrawal Request Form on our website or by contacting us. Withdrawals can generally be made on any business day.

You should read important information about unit prices before making a decision. Go to the information about 'Unit prices' in Section 2 of the Additional Information Document. The material relating to unit prices may change between the date when you read this PDS and the day when you acquire the product.

Minimum investment and withdrawal amounts

Minimum investment requirements*	
Initial investment	\$5,000
Additional investment	\$1,000 (or \$100 per month for regular savings plan)
Minimum withdrawal	\$1,000
Minimum balance	\$5,000

*If you are investing in the Fund through a Masterfund or Investor Directed Portfolio Service ('IDPS'), the minimums detailed above may not apply. You should refer to your Masterfund or IDPS operator's offer document. See 'If you invest through a Masterfund or IDPS' in Section 5 of the Additional Information Document for more information.

We will send you a statement confirming any transactions made by you at the time of the transaction (excluding those made using a regular savings plan).

Small account balances

If the current value of your account is below the minimum balance required, we may withdraw your units and pay you the proceeds. The amount payable will be the withdrawal price on the date of the withdrawal multiplied by the number of units you hold.

You should read important information about making investments and withdrawals and investing through a Masterfund or IDPS before making a decision. Go to the information about 'Making investments and withdrawals' in Section 1 and 'If you invest through a Masterfund or IDPS' in Section 5 of the Additional Information Document. The material relating to making investments and withdrawals and investing through a Masterfund or IDPS may change between the date when you read this PDS and the day when you acquire the product.

Distributions

Generally, distributions of net income are determined on a half yearly basis (i.e. 30 June and 31 December). Any net realised gains earned by the Fund are generally distributed at the end of the financial year. It is our standard practice to source distributions from net income and net realised gains only. The distribution policy will be aligned to the ongoing earning capacity of the Fund.

Although it is not our intention to source future distribution payments from sources other than net income and net realised capital gains, we may do so if we consider it to be in the interests of our investors and where payment from that source is expected to be sustainable given the circumstances.

The amount of distribution income paid to you is based on the number of units you hold at the end of each distribution period.

You can reinvest your distribution. The distribution reinvestment price is the unit price at the end of the distribution period less the amount of distribution per unit payable, excluding any buy/sell spread. If you wish to reinvest your distributions, you should complete Section 6 of the Application Form.

Distributions are generally paid within 21 business days after 30 June and 31 December.

The Fund holds a certain amount of cash and other liquid assets to enable you to access your money in a relatively short amount of time. However, if the level of withdrawals exceeds the available liquid assets, it may take longer for you to access your money or the Fund may lose value from selling assets at an inopportune time.

5. How we invest your money

Investment approach

Platypus applies a quantitative investment process, embodying a systematic approach to markets, to develop a portfolio positioned to outperform the broader Australian equity market¹ and to improve the overall risk profile.

The Fund typically holds between 80 and 100 stocks and is generally fully invested in Australian shares. The Fund can hold up to 20% in cash and similar investments.

The Fund may gain exposure to certain assets by investing through other investment vehicles including those managed by a related entity. These investment vehicles may include investment companies, registered managed investment schemes and unregistered schemes.

Due to the nature of its investment strategy, we consider the level of investment risk in the Fund to be high.

1. The return that we aim to deliver to investors is a statement of intent, and we cannot guarantee that the Fund will achieve this return.

Authorised investments

AUFM may vary the Fund's investment objective from time to time. AUFM will advise investors in writing of a change to the investment objective of the Fund.

Who should invest in the Fund?

This Fund is typically suited to investors who:

- are looking to diversify the performance of their Australian equity portfolio;
- seek an opportunity for capital growth from the Australian share market over the medium to long term;
- feel comfortable with potential volatility in sectors of the Australian share market, and the market as a whole; and
- have at least a five year investment outlook.

You should consider the likely investment return, risk and your investment time frame when choosing to invest in the Fund. It is important that you consider the risks of investing which are explained in Section 4 of this PDS.

Labour standards or environmental, social or ethical considerations

We do not take into account labour standards or environmental, social or ethical considerations in the selection, retention or realisation of investments in the Fund offered under the PDS.

Switching to another Australian Unity fund

The Fund has only a single investment option and switching is not available. As we currently have no intention to add further investment options to this Fund, if you find your investment no longer suits your needs you should consider withdrawing and applying for another investment that better suits your investment requirements.

For the latest range of funds offered by Australian Unity, please refer to our website australianunity.com.au/wealth.

6. Fees and costs

DID YOU KNOW?

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

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs. You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.

TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website (www.moneysmart.gov.au) has a managed funds fee calculator to help you check out different fee options.

This document shows fees and other costs that you may be charged. These fees and costs may be deducted from your account, from the returns on your investment or from the Fund assets as a whole. You should read all the information about fees and costs because it is important to understand their impact on your investment.

The information can be used to compare costs between different managed investment schemes.

TYPE OF FEE OR COST	AMOUNT
Fees when your money moves in or out of the fund	
Establishment fee	Nil
Contribution fee	Nil
Withdrawal fee	Nil
Termination fee	Nil
Management costs¹	Management costs comprising: <ul style="list-style-type: none"> • A management fee of 0.41% p.a. of the gross asset value of the Fund.² • Recoverable expenses estimated to be 0.12% of the gross asset value of the Fund for the financial year ending 30 June 2018. • Estimated indirect costs of 0.00% of the net asset value of the Fund.³
The fees and costs for managing your investment	

1. Management costs do not include the Fund's transactional and operational costs some of which are recovered via the buy/sell spreads. For more information refer to 'Transactional and operational costs' in Section 3 of the Additional Information Document.

2. These fees may be negotiated for investors who qualify as a 'wholesale client' (as defined in the Corporations Act 2001). Refer to 'Wholesale clients' in Section 3 of the Additional Information Document.

3. Refer to 'Indirect costs' in Section 3 of the Additional Information Document for more information on the Fund's indirect costs.

Warning: Other service fees, such as an advice fee, may apply if you have a financial adviser. Refer to the 'Payments to your financial adviser' section for more information.

Example of annual fees and costs

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

EXAMPLE – Platypus Systematic Growth Fund		BALANCE OF \$50,000 WITH A CONTRIBUTION OF \$5,000 DURING YEAR
Contribution Fees	Nil	For every \$5,000 you put in, you will be charged \$0.
PLUS Management Costs	0.53% p.a. ¹	And , for every \$50,000 you have in the Fund you will be charged \$265.00 each year.
EQUALS Cost of Fund		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees of: \$265.00^{2,3} What it costs you will depend on the investment option you choose and the fees you negotiate.

1. This is the Indirect Cost Ratio ('ICR') based on the Fund's average net assets for the period 1 July 2017 to 30 June 2018.
2. This example assumes that the contribution of \$5,000 is made at the end of the year, and therefore no management costs for the contribution have been included.
3. A buy/sell spread may apply to investments in and out of the Fund (see 'Buy and sell spreads and estimated transactional and operational costs' in section 3 of the Additional Information Document).

ASIC provides a fees calculator on its 'moneysmart' website that you could use to calculate the effects of fees and costs on account balances.

Additional explanation of fees and costs

Fee changes

Fees may increase or decrease for many reasons, including changes in the competitive, industry and regulatory environments or simply from changes in costs. We can change fees, without your consent, but will provide at least 30 days written notice of any increase.

Goods and Services Tax

Fees and charges set out in this PDS, unless otherwise stated, are inclusive of goods and service tax ('GST') less input tax credits (including approximate reduced input tax credits) that the Fund may be entitled to claim.

Payments to financial advisers and intermediaries

The Corporations Act 2001 contains provisions which regulate, and in some cases prohibit, payment to financial advisers and intermediaries by product issuers. Any arrangement by us to make payments or provide incentives to financial advisers and intermediaries will be entered into in compliance with the legislation.

Payments to your financial adviser

You can choose to make payments to your financial adviser through an 'advice fee' from your account.

This payment reflects your arrangement with your financial adviser as set out in the Statement of Advice provided by your financial adviser and is calculated and deducted (by way of a withdrawal of units, which may have taxation consequences) on a monthly basis. The advice fee is not a fee paid to us. You must notify us if you change or cancel your arrangement with your financial adviser.

If your average monthly account balance is \$10,000 and you nominate an ongoing advice fee of 1.10% p.a. this equates to approximately \$9.17 per month. The dollar amount will vary depending upon the average value of your account each month.

You should read important information about fees and costs before making a decision. Go to 'Fees and costs' in Section 3 of the Additional Information Document. The material relating to fees and costs between the date when you read this PDS and the day when you acquire the product.

7. How managed investment schemes are taxed

Australian taxation

Investing in a registered managed investment scheme is likely to have tax consequences. Taxation law is complex and its application is dependent on your individual circumstances. We recommend that you seek independent professional tax advice about how it applies in your specific circumstances.

The Fund elected to be an Attribution Managed Investment Trust (AMIT) for tax purposes from the 2018 income year. The Fund itself should not pay tax on the basis that it will attribute trust components to investors each financial year on a fair and reasonable basis. You will need to include in your income tax return your share of the Fund's taxable income and capital gains for each financial year.

You should read important information about taxation before making a decision. Go to the 'Additional information about taxation' in Section 4 of the Additional Information Document. The material relating to taxation may change between the date when you read the PDS and the day when you acquire the product.

8. How to apply

1. Read this Product Disclosure Statement and the Additional Information Document.
2. Complete the Application Form, ensuring you follow the accompanying instructions.
3. You can send the completed Application Form together with a cheque or your direct debit request instructions to:

Australian Unity
Investor Services - Wealth
Reply Paid 64466
South Melbourne VIC 3205
(No stamp required if mailed in Australia)

The application will be considered lodged when it is received in our Melbourne office on a Melbourne business day, prior to 3.00 pm.

The Application Form for the Fund can be found on our website at australianunity.com.au/wealth/psgf

Handling of applications

No interest will be paid on application amounts for the period from receipt until the issue of units occurs. Similarly, no interest will be paid to any investor whose application (or part of an application) is returned by us unfilled. Any interest earned on the application amount during this period will be retained by the Fund and form part of its income for the benefit of investors. We may, in our absolute discretion, reject in whole or in part any application. We need not give any reason for the rejection.

Changing your mind

Generally you have a 14-day cooling off period to decide if this investment is right for you. The 14-day period starts on the earlier of:

- the date you receive your initial investment transaction statement; or
- five business days after your units are issued.

Therefore if you wish to cancel your investment, it is important that you write to us before the expiration of this period.

The amount repaid to you is adjusted to reflect any increase/decrease in the value of the investment due to market movement. We will also deduct any taxes or duties payable and transaction costs. As a result, the amount returned to you may be less than your original investment. If you are an investor who qualifies as a "wholesale client" as defined in the Corporations Act 2001, the cooling off period is not available to you.

Dispute resolution

We take complaints seriously and aim to resolve them as quickly as possible. If you would like to make a complaint you can call us on 13 29 39, email us at investments@australianunity.com.au or write to us at the following address:

Manager – Investor Services, Wealth

Australian Unity
114 Albert Road
South Melbourne VIC 3205

We will promptly acknowledge your complaint generally within 10 business days, investigate it and decide in a timely manner what action needs to be taken. We will notify you of our decision within 45 days after receipt of the complaint, together with any remedies that are available, or other avenues of appeal against the decision.

If you are not satisfied with our handling or resolution of your complaint, then you may contact the external independent body that has been established to provide recourse for consumers, free of charge.

Australian Financial Complaints Authority

Website: www.afca.org.au
Email: info@afca.org.au
Telephone: 1800 931 678 (free call)
Fax: (03) 9613 6399
In writing to: Australian Financial Complaints Authority
GPO Box 3, Melbourne VIC 3001

9. Other information

Related party transactions

All transactions we enter into in relation to the Fund including those with related parties are on arm's length commercial terms.

Entities within the Australian Unity Group may provide registry, accounting, asset management and tax services to the Fund for fees charged at a commercial rate.

Policies and guidelines are in place to manage the risk of any actual or perceived conflict of interest as a result of a related party transaction. Related party transactions with Australian Unity Group entities are reviewed and approved by senior management with clearly identified governance policies and guidelines. Details of material related party transactions are reported yearly as part of the Fund's Annual Report. The Fund's Annual Report is published on our website.