

# Additional Information Document

1 January 2016



ACORN CAPITAL

## Acorn Capital Funds

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

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The Additional Information Document forms part of each Product Disclosure Statement ('PDS') for the funds listed to the right.

The information provided is general information only and does not take into account your investment objectives, financial situation or particular needs. Before making any decision based upon information contained in this Additional Information Document, you should read it carefully in its entirety, and consider consulting with a financial adviser or tax adviser.

Visit our website for further information on the Funds, including updated continuous disclosure information, unit prices and performance. We recommend that you obtain and review this information before you invest. Alternatively, you can call us and we will send you the requested information free of charge.

In this document, each of the funds listed below is referred to as a 'Fund'.

Funds	Australian Registered Scheme Number (ARSN)	PDS Date
Altius Bond Fund	ARSN 150 873 395	2 March 2015
Altius Sustainable Bond Fund	ARSN 601 618 179	2 March 2015
Acorn Capital Asia Small Cap Fund	ARSN 156 313 905	2 March 2015
Acorn Capital Microcap Fund	ARSN 095 115 594	2 March 2015
Acorn Capital Microcap Fund – P Class Units	ARSN 095 115 594	2 March 2015
Platypus Australian Equities Fund	ARSN 119 236 403	1 January 2016
Platypus Systematic Growth Fund	ARSN 140 274 737	2 March 2015

Defined terms used in the Additional Information Document have the same meaning as the defined terms used in each Fund's PDS unless defined in this document or the context requires otherwise.

## 1. Making investments and withdrawals

This table explains how to make an investment in a Fund. The Application Form can be found on our website.

	What you need to send us	Minimums <sup>1</sup>	Cut off times	Important information
Initial investment	A completed Application Form; <b>and</b> a cheque or completed direct debit details.	\$5,000	The Application Form and payment must be received by 3:00pm at our Melbourne office on a business day for you to receive the application price effective for that day. Otherwise, you will receive the application price effective the next business day.	Review your application before you sign it, as incomplete applications may not be accepted.
Additional investment(s)	A completed Application Form; <b>and</b> a cheque or completed direct debit details.	\$1,000		
Regular investments through the regular savings plan	A completed Application Form including Section 5 to nominate the amount you will regularly invest; <b>and</b> your direct debit details.	\$100 per month \$300 per quarter \$600 per half year \$1,200 per year	The Application Form must be received five business days before the start of your contributions.	

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### Contact Details

#### Address

Australian Unity Investments  
114 Albert Road  
South Melbourne VIC 3205

#### Website

[australianunityinvestments.com.au](http://australianunityinvestments.com.au)

#### Email

[investments@australianunity.com.au](mailto:investments@australianunity.com.au)

#### Investor Services

T 13 29 39 F 03 8682 5057

#### Adviser Services

T 1800 649 033 F 03 8682 5057



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	What you need to send us	Minimums <sup>1</sup>	Cut off times	Important information
Transferring your investment	A transfer form completed by both parties; <b>and</b> a completed Application Form for the Fund completed by the transferee.	\$1,000	Your standard transfer form and the Application Form must be received by 3:00pm on a business day for the transfer to be completed that day. Otherwise, the transfer will be completed the next business day.	If you choose to transfer only part of your investment you will be required to keep a minimum of \$5,000 in your account.

1. We reserve the right to vary minimum investment amounts and to accept or reject any investment (in whole or in part) at our discretion without explanation.

### Suspension of applications

In exceptional circumstances, where it is considered to be in the best interest of investors, the processing of all applications may be suspended. If this occurs, your application request will be processed using the next available unit price.

### Withdrawing

This table explains what is required to make a withdrawal.

	What you need to send us	Minimum <sup>1</sup>	Cut off times	Important information
Withdrawals	A completed withdrawal form or letter requesting the amount you wish to withdraw signed by the account holders or the authorised signatories and your nominated Australian financial institution account details.	\$1,000	Your written request must be received by 3:00 pm at our Melbourne office on a business day to receive the withdrawal price effective for that day. Otherwise, you will receive the withdrawal price effective next business day .	Withdrawal proceeds will only be paid to a nominated Australian financial institution account. <b>Cheque and third party payments are not available.</b> Incomplete withdrawal requests may not be accepted. Please refer below for further details.

1. We may vary minimum withdrawal amounts at our discretion. If you are investing in a Fund through a Masterfund or IDPS, the minimum detailed above may not apply.

### Additional information about withdrawals

The Responsible Entity reasonably expects to be able to realise at least 80% of the Funds' assets within 5 business days. Unless a longer period is required to liquidate a Fund's assets the maximum number of days to meet a withdrawal request for a Fund is stated in the table below.

Fund	Maximum number of days to meet withdrawal request
Altius Bond Fund	21 days
Altius Sustainable Bond Fund	21 days
Acorn Capital Asia Small Cap Fund	21 days
Acorn Capital Microcap Fund	30 days
Acorn Capital Microcap Fund – P Class Units	30 days
Platypus Australian Equities Fund	30 days
Platypus Systematic Growth Fund	21 days

Further information on risks that may impact on your ability to withdraw within these periods is outlined under 'Risks of managed investment schemes' in Section 4 of the relevant PDS.

### Suspension of withdrawals

In exceptional circumstances, where it is considered to be in the best interest of investors, withdrawals may be suspended. If this occurs, your withdrawal request will be processed using the next available unit price.

### Minimum balance

If as a result of a withdrawal request your account value falls below the minimum balance of \$5,000 we may treat the request as a request to withdraw in full and close your account. We reserve the right to vary these minimums at any time at our discretion.

## 2. Unit prices

### How unit prices are calculated

Unit prices are generally calculated daily. The unit price is calculated by taking the value of a Fund's assets, and deducting the liabilities. The resulting value is then divided by the total number of units issued by a Fund.

Both the application and withdrawal price are calculated taking into account any applicable buy/sell spread. The buy/sell spread is a percentage amount applied to the unit price. It ensures that there is an equitable application of costs of buying and selling assets to investors entering or exiting a Fund.

If there are multiple classes of units in a Fund, the unit price for each class of units within a Fund is calculated in the same manner, taking into consideration only the net asset value and the number of units on issue for that class at the relevant time. Where fees or costs relate to more than one class, the deduction is made for fees pertinent to the respective class of units.

Where the Responsible Entity applies its discretion to unit pricing using its powers under a Fund's Constitution, it does so in accordance with its unit pricing policy. Investors may inspect a copy of the policy at our registered office at any time between 9:00am and 5:00pm (Melbourne time) on a business day.

For daily unit price updates please visit our website or call us on 13 29 39.

### 3. Additional information about fees and costs

#### Wholesale clients

From time to time, we may rebate some of our fees (or issue units in a Fund) to what the Corporations Act 2001 call 'wholesale clients' or to employees within the Australian Unity Group so that they pay reduced fees. We do not enter into individual fee arrangements with other investors.

#### Indirect Cost Ratio ('ICR')

The ICR is a useful measure of the ongoing fees and expenses of investing in a Fund. It is expressed as a percentage of the average size of a Fund's net assets over a financial year.

#### Maximum fees

The maximum fees we are allowed to charge a Fund (excluding any GST) are stated in each Fund's Constitution and are as follows:

Fund	Maximum Ongoing Management Fee	Maximum Contribution / Entry Fee	Maximum Withdrawal / Exit Fee	Maximum Performance Fee	Cooling Off Fee
Altius Bond Fund	5.00% p.a. of the net or gross asset value of the Fund, as determined by AUFM.	While we do not charge a Contribution Fee, the Constitution allows a maximum Contribution Fee of 5.00% of the application moneys.	While we do not charge a Withdrawal Fee, the Constitution allows a maximum Withdrawal Fee of 5.00% of the withdrawal request.	While we do not apply a Performance Fee the Constitution allows for a maximum Performance Fee of 50% of the return above a relevant index, calculated and payable in accordance with the Constitution of the Fund.	N/A
Altius Sustainable Bond Fund	5.00% p.a. of the total value of all Trust property, calculated in accordance with the Constitution of the Fund.	While we do not charge an Entry Fee, the Constitution allows a maximum Entry Fee of 5.00% of the application moneys.	While we do not charge a Exit Fee, the Constitution allows a maximum Exit Fee of 5.00% of the withdrawal request.	While we do not charge a Performance Fee the Constitution allows for a maximum Performance Fee of 50% of the return above a relevant index, calculated and payable in accordance with the Constitution of the Fund.	While we do not charge a Cooling Off Fee, the Constitution allows the Responsible Entity to deduct money from those funds returned to an investor who exercises cooling off rights. The amount that is deducted is not limited but must be for recognisable administrative and transaction costs.

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The ICR shows the cost of investing in a Fund compared to investing directly in assets. It is calculated by dividing the total ongoing fees and expenses by the average fund size (based on net assets) over the period. The ICR does not include transaction costs or buy/sell spreads, brokerage, borrowing costs and Government charges incurred by a Fund as these costs would generally also be incurred by an investor investing directly.

The ICR for the financial year ('period') ended 30 June 2015 for each Fund is stated in the table below.

Fund	ICR
Altius Bond Fund	0.67%
Altius Sustainable Bond Fund	0.64%
Acorn Capital Asia Small Cap Fund	2.39%
Acorn Capital Microcap Fund	1.77%
Acorn Capital Microcap Fund – P Class Units	1.29%
Platypus Australian Equities Fund	1.07%
Platypus Systematic Growth Fund	1.09%

#### Where a Fund invests in other funds managed by us

A Fund may invest in other funds managed by us or our associates. Where this occurs, Management Fees will not be taken from each Fund. Instead, our Management Fees will be adjusted to reflect each Fund's fees described below.

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Fund	Maximum Ongoing Management Fee	Maximum Contribution / Entry Fee	Maximum Withdrawal / Exit Fee	Maximum Performance Fee	Cooling Off Fee
Acorn Capital Asia Small Cap Fund	5.00% p.a. of the net or gross asset value of the Fund, as determined by AUFM.	While we do not charge a Contribution Fee, the Constitution allows a maximum Contribution Fee of 5.00% of the application moneys.	While we do not charge a Withdrawal Fee, the Constitution allows a maximum Withdrawal Fee of 5.00% of the withdrawal request.	While the Performance Fee is currently 14.6341% of the Fund's excess performance over the performance hurdle, the Constitution allows for a maximum Performance Fee of 50% of the return above a performance hurdle, calculated and payable in accordance with the Constitution of the Fund.	N/A
Acorn Capital Microcap Fund	2.50% p.a. of the value of the Fund, calculated in accordance with the Constitution of the Fund.	N/A	N/A	N/A	N/A
Acorn Capital Microcap Fund – P Class Units	2.50% p.a. of the value of the Fund, calculated in accordance with the Constitution of the Fund.	N/A	N/A	While the Performance Fee is currently 15% of the Fund's excess performance over the relevant index, the Constitution allows for a maximum Performance Fee of 50% of the net return above a relevant index, calculated and payable in accordance with the Constitution of the Fund.	N/A
Platypus Australian Equities Fund	4.00% p.a. of the net asset value of the Fund, as determined by AUFM.	While we do not charge a Contribution Fee, the Constitution allows a maximum Contribution Fee of 6.00% of application moneys.	While we do not charge a Withdrawal Fee, the Constitution allows a maximum Withdrawal Fee of 3.00% of the withdrawal request.	While the Performance Fee is currently 15% of the Fund's excess performance over the relevant index, the Constitution allows for a maximum Performance Fee of 50% of the return above a relevant index, calculated and payable in accordance with the Constitution of the Fund.	While we do not charge a Cooling Off Fee, the Constitution allows the Responsible Entity to deduct money from those funds returned to an investor who exercises cooling off rights. The amount that is deducted is not limited but must be for recognisable administrative and transaction costs.
Platypus Systematic Growth Fund	5.00% p.a. of the net or gross asset value of the Fund, as determined by AUFM.	While we do not charge a Contribution Fee, the Constitution allows a maximum Contribution Fee of 5.00% of the application moneys.	While we do not charge a Withdrawal Fee, the Constitution allows a maximum Withdrawal Fee of 5.00% of the withdrawal request.	While the Performance Fee is currently 15% of the Fund's excess performance over the relevant index, the Constitution allows for a maximum Performance Fee of 50% of the return above a relevant index, calculated and payable in accordance with the Constitution of the Fund.	N/A

For actual fees charged, refer to 'Fees and costs' in Section 6 of the relevant PDS.

There is no limit in a Fund's Constitution on the amount that we can recover from a Fund to cover expenses properly incurred.

## 4. Additional information about taxation

### Australian Taxation

Some tax implications of investing in a Fund are explained below. It is intended to be a brief guide only and does not purport to be a complete statement of the relevant tax law, nor does it take into account your individual circumstances. Accordingly, we strongly recommend that you seek independent professional taxation advice on the tax implications of investing in a Fund relevant to your specific circumstances.

The following summary is intended for Australian resident investors and generally applies to investors who hold their investment for the purpose of realising a long-term return (that is, hold their investment on capital account for tax purposes). This summary does not consider the tax implications for those investors who hold their investment in a Fund on revenue account, as an isolated investment made with profit making intent or as trading stock. It is based on our interpretation of the current Australian tax laws at the date of publication of this document, including applicable case law and published guidance by the Australian Taxation Office, which may be subject to change.

### While you hold your investment

A Fund itself should not pay tax on the basis that it will make a full distribution of all taxable income to investors each financial year.

You will need to include in your income tax return your share of a Fund's taxable income for each financial year. This applies regardless of whether the distribution is received in cash during that income year or a later year, and may include amounts that have been reinvested.

To assist you to complete your tax return, you will receive an annual tax statement from us. This statement will provide you with the components to be included in your tax return. The sum of these components may differ to the amount of cash distribution you receive.

The components may comprise interest, dividends, franking credits, capital gains, foreign income and other types of income that are explained in further detail below.

Tax losses (if any) generated by a Fund cannot be passed onto investors. However, provided specific requirements are satisfied, a Fund should be able to carry forward tax losses, offsetting them against income generated in a later income year.

### Dividends

Where a Fund receives franked distributions in relation to investments in Australian equities, you may receive as part of your distribution franking credits (subject to relevant franking credit integrity measures, such as the 45-day holding period rule). These franking credits will not represent part of your cash receipts but will need to be included in your tax return as part of your taxable income. Depending on your individual circumstances, these may be available to offset your tax liability or be paid as a refund.

### Foreign income

Where a Fund derives foreign sourced income, Australian tax resident investors may be able to claim a Foreign Income Tax Offset ('FITO') against their Australian income tax liability in respect of their share of any foreign tax paid on that income. FITO's not utilised in the income year in which they are derived will be forfeited and cannot be carried forward to a later year.

### Capital gains

Where a Fund derives net capital gains to which you become entitled, you may need to include these amounts in your assessable income. Investors will generally be required to double any discounted capital gains. A capital gains tax ('CGT') discount may then be available for some investors, as outlined below.

### When you withdraw

When you fully or partially withdraw or redeem your investment in a Fund, you are treated as having disposed of your investment, and as a result, any net gain derived on disposal may be included in your taxable income under the CGT provisions. This may include where you move between Funds or transfer your units in a particular Fund to another investor.

An investor will make a capital gain in respect of the disposal of its investment to the extent that the capital proceeds attributable to the disposal exceed the investor's cost base. Alternatively, an investor will make a capital loss in respect of the disposal of its investment to the extent that the capital proceeds attributable to the disposal of the investment are less than the CGT reduced cost base in that investment.

In determining the cost base or reduced cost base of your investment in a Fund, you will need to take into account any returns of capital and tax deferred distributions received in respect of your investment. These amounts may have the effect of increasing your capital gain or decreasing your capital loss. Amounts that represent the CGT concession amount will have no impact on the cost base of your investment in a Fund.

Any net capital loss resulting from the disposal of your investment may be able to be used to reduce capital gains derived in that or future income years.

Investors that are individuals and trusts may be entitled to a CGT discount that reduces their capital gains by 50% where they have held their investment for more than 12 months. Investors that are complying superannuation funds may be entitled to a 33.33% reduction of their CGT liability. No such discount is available to corporate investors.

## Non-residents

This summary does not consider the Australian income tax implications for non-resident investors. However, it is noted that the Australian tax law imposes obligations on a Fund to withhold tax on distributions paid to non-residents for Australian tax purposes.

If you are not an Australian resident for tax purposes, withholding tax will be deducted from your distributions at the prescribed rates. The rates may vary according to the components of the distribution.

## TFN withholding Tax

If you are an Australian resident, you may choose whether or not to provide a Tax File Number ('TFN') or an Australian Business Number ('ABN'). If neither is quoted and no relevant exemption information is provided, a Fund is required to withhold tax on your income distributions at the highest marginal tax rate, plus levies.

## Foreign Account Tax Compliance Act ('FATCA')

We intend to meet any requirements imposed on a Fund under Australian legislation designed to give effect to the Foreign Account Tax Compliance Act ('FATCA') agreement between Australia and the United States. As such, the Fund is registered with the United States authorities, and may be required to collect certain information from you, report payments made in respect of your investment(s) and retain information to meet record keeping requirements.

## Goods and Services Tax

The acquisition, redemption and transfer of units in a Fund should not be subject to goods and services tax ('GST'). Distributions made by a Fund should also not give rise to any GST consequences.

## Australian Tax Reform

Australia is in the process of ongoing taxation reform. There is considerable uncertainty as to the breadth and ultimate impact of the reforms. Current reforms in progress include a new tax regime for Managed Investment Trusts and a review of the taxation of trusts generally. These reforms may potentially impact the tax position of a Fund and its investors. The Responsible Entity will continue to monitor the tax reform process and its impact on each Fund. It is an investor's responsibility to monitor tax reform developments that may impact on their investment in a Fund.

## 5. Other information

### Constitution

Each Fund is a registered managed investment scheme governed both by a Constitution and a Compliance Plan.

The statements in each PDS and the Additional Information Document only provide a summary of some of the provisions of each Fund's Constitution. You can inspect a copy of a Fund's Constitution at our Melbourne office at any time between 9:00am and 5:00pm on a business day.

AUFM is entitled to the benefit of various indemnities under each Fund's Constitution, which means that it has limited its liability for acting as the Responsible Entity.

## Additional disclosure information

A range of communications are provided to keep you informed about your investment in a Fund. As a disclosing entity, announcements will be issued under continuous disclosure obligations for changes relevant to your investment and to update information contained within the PDS. We will also publish up to date information about the performance of each Fund (including returns and asset allocations), and the latest annual report. These will be available on our website. While it is relevant information, you should not rely on past performance as an indicator of future performance.

We can also provide you with a copy (free of charge) of the annual report most recently lodged with ASIC and any half-yearly report lodged after the annual report is lodged and before the date of this PDS and any continuous disclosure notices given after the annual report is lodged and before the date of this PDS.

An account statement will be sent to you annually and when a distribution is paid. In addition, you can view your account balance, transaction history and your account details via a secure login at our website. You can also update your contact details online if they change.

## If you invest through a Masterfund or IDPS

AUFM has authorised the use of each Fund's PDS and Additional Information Document for investors considering placing an investment through a Masterfund or IDPS.

If you are investing in a Fund through a Masterfund or IDPS you do not yourself become an investor in the Fund. Instead, as the Masterfund or IDPS operator is investing on your behalf, it acquires the rights of an investor. In most cases, references to 'you' and 'your' in the PDS (for example receiving distribution income, reinvestment of distribution income and redemptions) is a reference to the operator and accordingly their arrangements with you will set out your rights. We do not keep personal information about indirect investors.

Further, some provisions of each Fund's Constitution will not be directly relevant to you. For example, you will generally not be able to attend meetings, or withdraw investments directly. You will receive reports from the Masterfund or IDPS operator, not us. Enquiries about each Fund should be directed to your Masterfund or IDPS operator.

The Masterfund or IDPS operator can exercise (or decline to exercise) those rights in accordance with the arrangements governing the operation of the Masterfund or IDPS.