

### About this Reference Guide

This Reference Guide ("RG") dated 1 December 2023 has been prepared and issued by Equity Trustees Limited ("Equity Trustees", "we" or "Responsible Entity"). The information in this document forms part of the Product Disclosure Statement ("PDS") for the following Funds, each a ("Fund").

- ICE Fund – Professional Investor . APIR ETL0374AU dated 1 December 2023
- SGH High Conviction Fund – Professional Investor. APIR ETL0373AU dated 30 September 2022
- SGH Property Income Fund – Professional Investor. APIR ETL0376AU dated 30 September 2022

The information provided in this RG is for general information only and does not take into account your individual objectives, financial situation or needs. You should obtain financial and taxation advice tailored to your personal circumstances.

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### Updated information

Information in the PDS and this RG is subject to change. Before making an investment in a Fund, you should ensure that you have read the PDS and RG current as at the date of your investment. You can request a copy of the PDS and RG by visiting [www.sghiscock.com.au](http://www.sghiscock.com.au) or by calling Apex Fund Services Pty Ltd on 1300 133 451 (Australia) or +61 2 8259 8888. A paper copy of the updated information will also be provided free of charge on request.

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#### Investment Manager

SG Hiscock & Company Limited  
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Website: [www.sghiscock.com.au](http://www.sghiscock.com.au)

#### Administrator

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#### Responsible Entity

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# 1. Investing in the SGH Funds

## Application cut-off times

If we receive a correctly completed Application Form, identification documents (if applicable) and cleared application money:

- before 2pm (Melbourne time) on a Business Day and your application for units is accepted, you will generally receive the Application Price calculated for that Business Day; or
- on or after 2pm (Melbourne time) on a Business Day and your application for units is accepted, you will generally receive the Application Price calculated for the next Business Day.

Please see the relevant PDS for information regarding how to apply.

## Application terms

We will only start processing an application if:

- we consider that you have correctly completed the Application Form;
- you have provided us with the relevant identification documents if required; and
- we have received the application money (in cleared funds) stated in your Application Form.

## Direct Debit (for initial investment)

The Direct Debit facility is only available for initial investments. Your investment will receive value for the day that the funds clear. See the "Direct Debit Request Service Agreement below:

### Direct Debit Service Agreement

The following is your Direct Debit Service Agreement with Apex Fund Services Pty Ltd ABN 81 118 902 891 (Apex) who acts as the unit registry provider of the Fund. The agreement is designed to explain what your obligations are when undertaking a direct debit arrangement with us for your initial investment. It also details what our obligations are to you as your direct debit provider.

We recommend you keep this agreement in a safe place for future reference. It forms part of the terms and conditions of your Direct Debit Request (DDR) and should be read in conjunction with your Direct Debit Request form.

## DEFINITIONS

### Account

means the account held at your financial institution from which we are authorised to arrange for funds to be debited.

### Agreement

means this Direct Debit Request Service Agreement between you and us.

### Banking day

means a day other than a Saturday or a Sunday or a public holiday listed throughout Australia.

### Debit day

means the day that payment by you to us is due.

### Debit payment

means a particular transaction where a debit is made.

### Direct debit request

means the Direct Debit Request in the application form or additional application form.

### Us or we

means Apex Fund Services Pty Ltd, you have authorised by signing a Direct Debit Request.

### You

means the customer who has signed or authorised by other means the Direct Debit Request.

## Your Financial Institution

means the financial institution nominated by you on the DDR at which the account is maintained.

## 1. DEBITING YOUR ACCOUNT

a) By signing a Direct Debit Request or by providing us with a valid instruction, you have authorised us to arrange for funds to be debited from your Account. You should refer to the Direct Debit Request and this Agreement for the terms of the arrangement between us and you.

b) We will only arrange for funds to be debited from your Account as authorised in the Direct Debit Request or we will only arrange for funds to be debited from your Account if we have sent to the address nominated by you in the Direct Debit Request, a billing advice which specifies the amount payable by you to us and when it is due.

c) If the Debit Day falls on a day that is not a Banking Day, we may direct Your Financial Institution to debit your Account on the following Banking Day. If you are unsure about which day your Account has or will be debited you should ask Your Financial Institution.

## 2. YOUR OBLIGATIONS

a) It is your responsibility to ensure that there are sufficient clear funds available in your Account to allow a Debit Payment to be made in accordance with the Direct Debit Request.

b) If there are insufficient clear funds in your Account to meet a Debit Payment:

I. you may be charged a fee and/or interest by Your Financial Institution;

II. you may also incur fees or charges imposed or incurred by us; and

III. you must arrange for the Debit Payment to be made by another method or arrange for sufficient clear funds to be in your Account by an agreed time so that we can process the Debit Payment.

c) You should check your Account statement to verify that the amounts debited from your Account are correct.

d) If Apex Fund Services Pty Ltd is liable to pay goods and services tax ("GST") on a supply made in connection with this Agreement, then you agree to pay Apex Fund Services Pty Ltd on demand an amount equal to the consideration payable for the supply multiplied by the prevailing GST rate.

## 3. DISPUTE

a) If you believe that there has been an error in debiting your Account, you should notify us directly on 1300 133 451 and confirm that notice in writing with us as soon as possible so that we can resolve your query more quickly. Alternatively, you can take it up with Your Financial Institution direct.

b) If we conclude as a result of our investigations that your Account has been incorrectly debited we will respond to your query by arranging for Your Financial Institution to adjust your Account (including interest and charges) accordingly. We will also notify you in writing of the amount by which your Account has been adjusted.

c) If we conclude as a result of our investigations that your Account has not been incorrectly debited we will respond to your query by providing you with reasons and any evidence for this finding in writing.

## 4. ACCOUNTS

You should check:

I. with Your Financial Institution whether direct debiting is available from your Account as direct debiting is not available on all Accounts offered by financial institutions.

II. your Account details which you have provided to us are correct by checking them against a recent Account statement; and

III. with Your Financial Institution before completing the Direct Debit Request if you have any queries about how to complete the Direct Debit Request.

## 5. CONFIDENTIALITY

a) We will keep any information (including your Account details) in your Direct Debit Request confidential. We will make reasonable efforts to keep any such information that we have about you secure and to ensure that any of our employees or agents who have access to information about you do not make any unauthorised use, modification, reproduction or disclosure of that information.

b) We will only disclose information that we have about you:

I. to the extent specifically required by law; or

II. for the purposes of this Agreement (including disclosing information in connection with any query or claim).

## 6. NOTICE

a) If you wish to notify us in writing about anything relating to this agreement, you should write to

Apex Fund Services Pty Ltd  
GPO Box 4968  
Sydney NSW 2001

b) We will notify you by sending a notice in the ordinary post to the address you have given us in the Direct Debit Request.

Any notice will be deemed to have been received on the third Banking Day after posting.

## 2. Managing your investment

### Authorised signatories

You can appoint a person, partnership or company as your authorised signatory. To do so, please nominate them on the Application Form and have them sign the relevant sections. If a company is appointed, the powers extend to any director and officer of the company. If a partnership is appointed, the powers extend to all partners. Such appointments will only be cancelled or changed once we receive written instructions from you to do so.

Once appointed, your authorised signatory has full access to operate your investment account for and on your behalf. This includes the following:

- making additional investments;
- requesting income distribution instructions be changed;
- withdrawing all or part of your investment;
- changing bank account details;
- having online access to your investment account information; and
- enquiring and obtaining copies of the status of your investment.

If you do appoint an authorised signatory:

- you are bound by their acts;
- you release, discharge and indemnify us from and against any losses, liabilities, actions, proceedings, claims and demands arising from instructions received from your authorised signatory; and
- you agree that our acting on any instructions received from your authorised signatory shall amount to complete satisfaction of our obligations, even if these instructions were made without your knowledge or authority.

### Reports

Investors will be provided with the following reports:

- application and withdrawal confirmation statements;
- transaction statements; and
- (where applicable), distribution and tax statements.

Annual audited financial accounts are available on Equity Trustees' website.

Annual audited financial accounts are also available on SG Hiscock's website.

## 3. Withdrawing your investment

### Withdrawal cut-off times

If we receive a withdrawal request:

- before 2pm (Melbourne time) on a Business Day and your withdrawal request is accepted, you will generally receive the Withdrawal Price calculated for that Business Day; or
- on or after 2pm (Melbourne time) on a Business Day and your withdrawal request is accepted, you will generally receive the Withdrawal Price calculated for the next Business Day.

Please see the relevant PDS for information regarding how to request a withdrawal.

### Withdrawal terms

Once we receive your withdrawal request, we may act on your instruction without further enquiry if the instruction bears your account number or investor details and your (apparent) signature(s), or your authorised signatory's (apparent) signature(s).

We may contact you to check your details before processing your withdrawal request but are not obliged to. This may cause a delay in finalising payment of your withdrawal money. No interest is payable for any delay in finalising payment of your withdrawal money.

We are not responsible or liable if you do not receive, or are late in receiving, any withdrawal money that is paid according to your instructions.

When you are withdrawing, you should take note of the following:

- Withdrawals will only be paid to the investor.
- We reserve the right to fully redeem your investment if, as a result of processing your request, your investment balance in the Fund falls below the minimum balance set out in the relevant PDS.
- If we cannot satisfactorily identify you as the withdrawing investor, we may reject your withdrawal request or payment of your withdrawal proceeds will be delayed. We are not responsible for any loss you consequently suffer.
- As an investor who is withdrawing, you agree that any payment made according to instructions received by post, courier, email or fax, shall be a complete satisfaction of our obligations, despite any fact or circumstances such as the payment being made without your knowledge or authority.
- You agree that if the payment is made according to these terms, you, and any person claiming on your behalf, shall have no claim against us with regards to such payment.

### Withdrawal restrictions

Under the Corporations Act, you do not have a right to withdraw from the Fund if the Fund is illiquid. In such circumstances, you will only be able to withdraw your investment if Equity Trustees makes a withdrawal offer in accordance with the Corporations Act. Equity Trustees is not obliged to make such offers.

The Fund will be deemed liquid if at least 80% of its assets are liquid assets (generally cash and marketable securities). In addition, we may at any time suspend consideration of withdrawal requests or defer our obligation to pay withdrawal proceeds if it is not possible, or not in the best interests of investors or former investors for us to do so, due to circumstances outside our control (such as restricted or suspended trading in a Fund asset).

## 4. Additional risks of managed investment schemes

The following risks are of a general nature and apply generally to investments in managed funds. You must also read the risks specific to the Fund in which you wish to invest. These are disclosed in each Fund's PDS

### Currency risk

This risk only applies to SGH Property Income Fund – Professional Investor and ICE Fund – Professional Investor. The Fund will invest in securities listed on non-Australian exchanges. Currency movements against the Australian dollar may adversely affect the domestic value of the Fund's investments and the income from those investments. The Investment Manager may hedge currency exposures to reduce the risk of adverse fluctuations in the value of the Australian dollar relative to other currencies.

### Derivatives risk

This risk only applies to *SGH High Conviction Fund - Professional Investor and ICE Fund – Professional Investor*.

The Fund will use derivatives for risk management purposes. The use of derivative positions to hedge the risk of physical securities will involve 'basis risk', which refers to the possibility that derivative positions may not move perfectly in line with the physical security. Fluctuations in the price of derivatives reflect movements in the underlying assets, reference rate or index to which the derivatives relate. As a consequence, the derivative positions cannot be expected to perfectly hedge the risk of the physical security. Derivatives are also used as substitutes for physical securities. In doing so there is the risk that a derivative may not be a perfect substitute for the underlying security it aims to replace, and may not mirror its movements completely.

Other risks associated with derivatives may include:

- loss of value because of a sudden price move or because of the passage of time;
- potential illiquidity of the derivative;
- the Fund being unable to meet payment obligations as they arise;
- the counterparty to any derivative contract not being able to meet its obligations under the contract; and
- significant volatility in prices.

Note that neither the Responsible Entity nor the Investment Manager guarantee that the Fund's derivatives strategy will be successful.

### Fund risk

As with all managed funds, there are risks that a Fund could terminate or that the fees and expenses could change. There is also a risk that investing in a Fund may give different results than investing directly in the securities.

### Inflation risk

Inflation risk is the risk that returns will not be sufficiently higher than inflation to enable an investor to meet their financial goals.

### Interest rate risk

Changes in official interest rates can directly and indirectly impact on investment returns. Generally, an increase in interest rates has a contractionary effect on the state of the economy and the valuation of securities. For example, rising interest rates can have a negative impact on a company's value as increased borrowing costs may cause earnings to decline. As a result, the company's share price may fall.

### Issuer risk

The value of investments can vary because of changes to an issuer's management, product distribution or business environment.

### Legal risk

There is a risk that laws, including tax laws, might change or become difficult to enforce or comply with.

### Liquidity risk

There may be times when securities may not be readily sold (for example, in a falling market where some traded securities may become less liquid). However, trading volumes of stock are generally sufficient to satisfy liquidity requirements when necessary. The Investment Manager has attempted to mitigate the liquidity risk factor by ensuring that each Fund has sufficient cash exposure to meet liquidity requirements. Note that neither the Responsible Entity nor the Investment Manager guarantees the liquidity of the investments of the Fund in which you have invested.

### Management risk

Each Fund is subject to management risk because it is an actively managed investment portfolio. The Investment Manager will apply investment techniques and risk analyses in making investment decisions for the Funds, but there can be no guarantee that these will produce the desired results.

### Market risk

Changes in legal and economic policy, political events, technology failure, economic cycles, investor sentiment and social climate can all directly or indirectly create an environment that may influence (negatively or positively) the value of your investment in the Fund. In addition, a downward move in the general level of the equity market can have a negative influence on the performance of the Fund.

### Pandemic and other unforeseen risk

Health crises, such as pandemic and epidemic diseases, as well as other catastrophes that interrupt the expected course of events, such as natural disasters, war or civil disturbance, acts of terrorism, power outages and other unforeseeable and external events, and the public response to or fear of such diseases or events, have and may in the future have an adverse effect on the economies and financial markets either in specific countries or worldwide and consequently on the value of the Fund's investments. Further, under such circumstances the operations, including functions such as trading and valuation, of the Investment Manager and other service providers could be reduced, delayed, suspended or otherwise disrupted.

## 5. Additional information on 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 investment 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 fees. 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)** Moneysmart website ([www.moneysmart.gov.au](http://www.moneysmart.gov.au)) has a managed funds fee calculator to help you check out different fee options.

## Fees and other costs

This section shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the assets of the managed investment scheme as a whole.

Taxes are set out in another part of this document. You should read all the information about fees and costs because it is important to understand their impact on your investment.

SGH Funds		
Type of fee or cost	Amount	How and when paid
<b>Ongoing annual fees and costs<sup>1</sup></b>		
<p><i>Management fees and costs</i></p> <p>The fees and costs for managing your investment</p>	<p>ICE Fund = 1.18% of the NAV of the Fund</p> <p>SGH High Conviction Fund = 1.23% of the NAV of the Fund</p> <p>SGH Property Income Fund = 0.95% of the NAV of the Fund</p>	<p>The management fees component of management fees and costs are accrued daily and paid from the Fund monthly in arrears and reflected in the unit price. Otherwise, the fees and costs are variable and deducted and reflected in the unit price of the Fund as they are incurred.</p> <p>The management fees component of management fees and costs can be negotiated. Please see "Differential fees" in the "Additional Explanation of Fees and Costs" for further information.</p>
<p><i>Performance fees</i></p> <p>Amounts deducted from your investment in relation to the performance of the product</p>	<p>ICE Fund = 0.00% of the NAV of the Fund<sup>2</sup></p> <p>SGH High Conviction Fund = Not applicable</p> <p>SGH Property Income Fund = Not applicable</p>	<p>Performance fees are calculated daily and paid annually in arrears from the Fund and reflected in the unit price.</p>
<p><i>Transaction costs</i></p> <p>The costs incurred by the scheme when buying or selling assets</p>	<p>ICE Fund = 0.29% of the NAV of the Fund</p> <p>SGH High Conviction Fund = 0.06% of the NAV of the Fund</p> <p>SGH Property Income Fund = 0.03% of the NAV of the Fund</p>	<p>Transaction costs are variable and deducted from the Fund as they are incurred and reflected in the unit price. They are disclosed net of amounts recovered by the buy-sell spread.</p>
<b>Member activity related fees and costs (fees for services or when your money moves in or out of the scheme)</b>		
<p><i>Establishment fee</i></p> <p>The fee to open your investment</p>	Not applicable	Not applicable
<p><i>Contribution fee</i></p> <p>The fee on each amount contributed to your investment</p>	Not applicable	Not applicable
<p><i>Buy-sell spread</i></p> <p>An amount deducted from your investment representing costs incurred in transactions by the scheme</p>	<p>ICE Fund = 0.30% upon entry and 0.30% upon exit</p> <p>SGH High Conviction Fund = 0.25% upon entry and 0.25% upon exit</p> <p>SGH Property Income Fund = 0.25% upon entry and 0.25% upon exit</p>	<p>These costs are an additional cost to the investor but are incorporated into the unit price and arise when investing application monies and funding withdrawals from the Fund and are not separately charged to the investor. The Buy Spread is paid into the Fund as part of an application and the Sell Spread is left in the Fund as part of a redemption.</p>
<p><i>Withdrawal fee</i></p> <p>The fee on each amount you take out of your investment</p>	Not applicable	Not applicable
<p><i>Exit fee</i></p> <p>The fee to close your investment</p>	Not applicable	Not applicable
<p><i>Switching fee</i></p> <p>The fee for changing investment options</p>	Not applicable	Not applicable

<sup>1</sup> All fees quoted above are inclusive of Goods and Services Tax (GST) and net of any Reduced Input Tax Credits (RITC). See below for more details as to how the relevant fees and costs are calculated.

<sup>2</sup> This represents the average of the performance fees paid by the Fund generally over the previous five financial years ending 30 June 2023 and is not a forecast of future performance fees. See "Performance fees" below for more information.

## Additional Explanation of Fees and Costs

### Management fees and costs

The management fees and costs include amounts payable for administering and operating the Fund, investing the assets of the Fund, expenses and reimbursements in relation to the Fund and indirect costs if applicable.

Management fees and costs do not include performance fees or transaction costs, which are disclosed separately.

The management fees component is accrued daily and paid from the Fund monthly in arrears and reflected in the unit price. As at the date of this RG, the management fees component covers certain ordinary expenses such as Responsible Entity fees, investment management fees, custodian fees, and administration and audit fees.

The indirect costs and other expenses component of 0.00% p.a. of the NAV of the Fund may include other ordinary expenses of operating the Fund, as well as management fees and costs (if any) arising from interposed vehicles in or through which the Fund invests and the costs of investing in over-the-counter derivatives to gain investment exposure to assets or implement the Fund's investment strategy (if applicable). The indirect costs and other expenses component is variable and reflected in the unit price of the Fund as the relevant fees and costs are incurred. They are borne by investors, but they are not paid to the Responsible Entity or Investment Manager.

Actual indirect costs for the current and future years may differ. If in future there is an increase to indirect costs disclosed in this RG, updates will be provided on Equity Trustees' website at [www.eqt.com.au/insto](http://www.eqt.com.au/insto) where they are not otherwise required to be disclosed to investors under law.

### Performance fees

#### ICE Fund

Performance fees include amounts that are calculated by reference to the performance of the Fund. The performance fee figure that is disclosed in the Fees and Costs Summary is generally based on an average of the performance fees over the previous five financial years, where each performance fee relevant to the Fund is averaged and totalled to give the performance fees for the Fund. The performance fees for the Fund are 0.00% of the NAV of the Fund calculated based on the methodology below.

In terms of the performance fees payable to the Investment Manager, a performance fee is payable where the investment performance of the Fund (before management fees and costs) exceeds the S&P/ASX 300 Accumulation Index plus 1.20% p.a. (the performance hurdle) The performance fees are 15.375% of this excess, calculated and accrued daily, and paid annually in arrears from the Fund. Performance Fees are subject to a High Watermark which means no performance fees are payable until any accrued underperformance (in dollar terms), as against the performance hurdle, from prior periods has been made up.

Please note that the performance fees disclosed in the Fees and Costs Summary is not a forecast as the actual performance fee for the current and future financial years may differ. The Responsible Entity cannot guarantee that performance fees will remain at their previous level or that the performance of the Fund will outperform the performance hurdle.

It is not possible to estimate the actual performance fee payable in any given period, as we cannot forecast what the performance of the Fund will be. Information on current performance fees will be updated from time to time and available at [www.eqt.com.au/insto](http://www.eqt.com.au/insto).

#### Performance fee example

The example below is provided for illustrative purposes only and does not represent any actual or prospective performance of the Fund. We do not provide any assurance that the Fund will achieve the performance used in the example and you should not rely on this example in determining whether to invest in the Fund.

The following is an example of the performance fee expense for a 12 month period ending 30 June ("Performance Fee Period") payable on units of the ICE Fund. Terms referred to below have the same meaning as detailed in section 6. Fees and costs of the PDS for the Fund.

Assumptions:

- the percentage movement in the S&P/ASX 300 Accumulation Index from the start of the Performance Fee Period to the end of the Performance Fee Period is 6%;
- the Fund's performance hurdle for the Performance Fee Period is 7.2%;
- the Fund's 'investment return' for the Performance Fee Period is 8%;
- the Fund's 'investment return' for the Performance Fee Period is assumed to accrue evenly over the course of the Performance Fee Period;
- the Fund's 'investment return' with reference to which the performance fee is calculated is a return prior to any deduction for management fees and costs; and
- there is no negative performance fee amounts for previous Performance Fee Periods to be carried forward.

On the basis of the above assumptions and if you had an investment in the Fund of \$50,000 at the beginning of the Performance Fee Period and no withdrawals were effected during the Performance Fee Period, your investment would bear a performance fee expense of approximately \$61.50 (Based on outperformance of 0.80% above 'Performance Hurdle' x Performance Fee 15.375% x \$50,000 investment = \$61.50) for the Performance Fee Period.

Please note that the 'investment return' specified in this example:

- is only an example to assist investors to understand the effect of the performance fee expense on the investment return of the Fund; and
- is not a forecast of the expected investment return for the Fund.

### Transaction costs

In managing the assets of the Fund, the Fund may incur transaction costs such as brokerage, buy-sell spreads in respect of the underlying investments of the Fund, settlement costs, clearing costs and applicable stamp duty when assets are bought and sold. Transaction costs also include costs incurred by interposed vehicles in which the Fund invests (if any), that would have been transaction costs if they had been incurred by the Fund itself. Transaction costs are an additional cost to the investor where they are not recovered by the Buy/Sell Spread, and are generally incurred when the assets of the Fund are changed in connection with day-to-day trading or when there are applications or withdrawals which cause net cash flows into or out of the Fund.

The Buy/Sell Spread that is disclosed in the Fees and Costs Summary is a reasonable estimate of transaction costs that the Fund will incur when buying or selling assets of the Fund. These costs are an additional cost to the investor but are incorporated into the unit price and arise when investing application monies and funding withdrawals from the Fund and are not separately charged to the investor. The Buy Spread is paid into the Fund as part of an application and the Sell Spread is left in the Fund as part of a redemption and not paid to Equity Trustees or the Investment Manager.

SGH Funds	Estimated Buy/Sell Spread	The dollar value of these costs based on an application or a withdrawal of \$250,000
ICE Fund	0.30% upon entry and 0.30% upon exit	\$750 (application) and \$750 (withdrawal)

SGH Funds	Estimated Buy/Sell Spread	The dollar value of these costs based on an application or a withdrawal of \$250,000
SGH High Conviction Fund	0.25% upon entry and 0.25% upon exit	\$625 (application) and \$625 (withdrawal)
SGH Property Income Fund	0.25% upon entry and 0.25% upon exit	\$625 (application) and \$625 (withdrawal)

The Buy/Sell Spread can be altered by the Responsible Entity at any time and [www.sghiscock.com.au](http://www.sghiscock.com.au) will be updated as soon as practicable to reflect any change. The Responsible Entity may also waive the Buy/Sell Spread in part or in full at its discretion. The transaction costs figure in the Fees and Costs Summary is shown net of any amount recovered by the Buy/Sell Spread charged by the Responsible Entity.

Transaction costs generally arise through the day-to-day trading of the Fund's assets and are reflected in the Fund's unit price as an additional cost to the investor, as and when they are incurred.

SGH Funds	Gross transaction costs
ICE Fund	0.41% p.a. of the NAV of the Fund
SGH High Conviction Fund	0.09% p.a. of the NAV of the Fund
SGH Property Income Fund	0.08% p.a. of the NAV of the Fund

The gross transaction costs are outlined in the table above, which are based on the relevant costs incurred during the financial year ended 30 June 2023. Transactional and operational costs are paid out of the assets of the Funds and are not paid to Equity Trustees or the Investment Manager. A portion of these costs is recovered by the buy/sell spread.

However, actual transaction costs for future years may differ.

### Can the fees change?

Yes, all fees can change without investor consent, subject to the maximum fee amounts specified in the Constitution. The current maximum management fee to which Equity Trustees is entitled is 2.00% of the GAV of SGH High Conviction Fund, 1.10% of the GAV of the SGH Property Income Fund and 6.00% of the GAV of ICE Fund. However, Equity Trustees does not intend to charge that amount and will generally provide investors with at least 30 days' notice of any proposed increase to the management fees component of management fees and costs. In most circumstances, the Constitution defines the maximum level that can be charged for fees described in this RG. Equity Trustees also has the right to recover all reasonable expenses incurred in relation to the proper performance of its duties in managing the Fund and as such these expenses may increase or decrease accordingly, without notice.

### Differential fees

The Investment Manager may from time to time negotiate a different fee arrangement (by way of a rebate or waiver of fees) with certain investors who are Australian Wholesale Clients. Please contact SG Hiscock & Company on +61 3 9612 4600 for further information.

### Taxation

Please refer to Section 7 of the Product Disclosure Statement and Section 5 of this Reference Guide for further information on taxation.

## 6. Other important information

### Taxation

The following information summarises some of the Australian taxation issues you may wish to consider before making an investment in a Fund and assumes that you hold your investment in the Fund on capital account and are not considered to be carrying on a business of investing, trading in investments or investing for the purpose of profit making by sale. The information should be used as a guide only and does not constitute professional tax advice as individual circumstances may differ.

A number of tax reform measures are currently under review by the Australian Government. These reforms may impact on the tax position of a Fund and its investors. Accordingly, it is recommended that investors seek their own professional advice, specific to their own circumstances, of the taxation implications of investing in a Fund.

#### General

Each Fund is an Australian resident trust for Australian tax purposes. Therefore, the Fund is required to determine its net income (taxable income) for the year of income. On the basis that investors are presently entitled (which is the intention of Equity Trustees) to the net income of the Fund (including net taxable capital gains) or will be attributed their share of assessable income, exempt income, non-assessable non-exempt income and tax offsets (i.e. credits) of the Fund and the Fund is not a public trading trust, the Fund should be treated as a flow-through trust for tax purposes. This means that investors should be taxed on their share of the Fund's net taxable income or the amount attributed to them, and the Fund should not be subject to Australian income tax.

In the case where the Fund makes a loss for Australian tax purposes, the Fund cannot distribute the tax loss to investors. However, the tax loss may be carried forward by the Fund for offset against taxable income of the Fund in subsequent years, subject to the operation of the trust loss rules.

#### Attribution Managed Investment Trust ("AMIT") – core rules

Each Fund may qualify as an eligible Attribution Managed Investment Trust (AMIT), and if so, intends to elect into the AMIT regime. The AMIT legislation applies an attribution model whereby Equity Trustees as the Responsible Entity of the Fund attributes amounts of trust components of a particular character to investors on a fair and reasonable basis consistent with the operation of the Fund's Constitution, which includes provisions in relation to AMIT. Under the AMIT rules, the following will apply:

**Fair and reasonable attribution:** Each year, a Fund's determined trust components of assessable income, exempt income, non-assessable non-exempt income and tax offsets (i.e. credits) will be allocated to investors on a "fair and reasonable" attribution basis, rather than being allocated proportionally based on each investor's present entitlement to the income of the Fund.

**Unders or overs adjustments:** Where a Fund's determined trust components for a year are revised in a subsequent year (e.g. due to actual amounts differing to the estimates of income, gains / losses or expenses), then unders and overs may arise. Unders and overs will generally be carried forward and adjusted in the year of discovery.

**Cost base adjustments:** Where the distribution made is less than (or more than) certain components attributed to investors, then the cost base of an investor's units may be increased (or decreased). Details of cost base adjustments will be included on an investor's annual tax statement, referred to as an AMIT Member Annual Statement ("AMMA").

**Large withdrawals:** In certain circumstances, gains may be attributed to a specific investor, for example, gains on disposal of assets to fund a large withdrawal being attributed to the redeeming investor.

**Penalties:** In certain circumstances (e.g. failure to comply with certain AMIT rules), specific penalties may be imposed.

The new rules are intended to reduce complexity, increase certainty and reduce compliance costs for managed investment trusts and their investors. Where a Fund does not elect into the AMIT regime, or has made the election but the election is not effective for the income year (e.g. the Fund does not satisfy the requirements to be a managed investment trust for the income year), the Tax Law applicable to non-AMITs should be relevant. In particular, the Fund should not generally pay tax on behalf of its investors and instead, investors should be assessed for tax on any income and capital gains generated by the Fund to which they become presently entitled.

#### ***Deemed Capital Gains Tax ("CGT") Election***

Eligible managed investment trusts ("MITs") may make an election to apply a deemed capital account treatment for gains and losses on disposal of certain eligible investments (including equities and units in other trusts but excluding derivatives, debt securities and foreign exchange contracts). Where the election is made the Fund should hold its eligible investments on capital account and gains/(losses) from the disposal of eligible investments should be treated as capital gains/(losses). Capital gains arising on the disposal of eligible investments held for 12 months or greater may be eligible to be treated as discount capital gains.

Where the CGT election is not made, the Fund should hold its eligible investments on revenue account and gains/(losses) from the disposal of eligible investments should be treated as revenue gains or losses.

#### ***Controlled Foreign Company ("CFC") Provisions***

There are certain tax rules (i.e. the CFC provisions) which may result in assessable income arising in the Fund in relation to investments in foreign equities, where certain control thresholds are met. If such interests were to be held at the end of the income year, the taxable income of the Fund may include a share of net income and gains (i.e. CFC attributable income) from such investments.

#### ***Taxation of Financial Arrangements ("TOFA")***

The TOFA rules may apply to certain "financial arrangements" held by the Fund. In broad terms, the TOFA regime seeks to recognise "sufficiently certain" returns on certain financial arrangements on an accruals basis for tax purposes rather than on a realisation basis. Where returns from derivative instruments are not "sufficiently certain" they will continue to be recognised on a realisation basis, unless specific tax timing elections are made.

#### ***Taxation Reform***

The tax information included in this RG is based on the taxation legislation and administrative practice as at the issue date of this RG, together with proposed changes to the taxation legislation as announced by the Government. However, the Australian tax system is in a continuing state of reform, and based on the Government's reform agenda, it is likely to escalate rather than diminish. Any reform of a tax system creates uncertainty as to the full extent of announced reforms, or uncertainty as to the meaning of new law that is enacted pending interpretation through the judicial process. These reforms may impact on the tax position of the Fund and its investors. Accordingly, it will be necessary to closely monitor the progress of these reforms, and investors should seek their own professional advice, specific to their own circumstances, of the taxation implications of investing in the Fund.

#### ***Tax File Number ("TFN") and Australian Business Number ("ABN")***

It is not compulsory for an investor to quote their TFN or ABN. If an investor is making this investment in the course of a business or enterprise, the investor may quote an ABN instead of a TFN. Failure by an investor to quote an ABN or TFN or claim an exemption may cause the Responsible Entity to withhold tax at the top marginal rate, plus the Medicare Levy, on gross payments including distributions or attribution of income to the investor. The investor may be able to claim a credit in their tax return for any TFN or ABN tax withheld. Collection of TFNs is permitted under taxation and privacy legislation.

By quoting their TFN or ABN, the investor authorises Equity Trustees to apply it in respect of all the investor's investments with Equity Trustees. If the investor does not want to quote their TFN or ABN for some investments, Equity Trustees should be advised.

#### ***GST***

Each Fund is registered for GST. The issue or withdrawal of units in the Fund and receipt of distributions are not subject to GST.

The Fund may be required to pay GST included in management and other fees, charges, costs and expenses incurred by the Fund. However, to the extent permissible, the Responsible Entity will claim on behalf of the Fund a proportion of this GST as a reduced input tax credit. Unless otherwise stated, fees and charges quoted in this RG are inclusive of GST and take into account any available reduced input tax credits. The Fund may be entitled to as yet undetermined additional input tax credits on the fees, charges or costs incurred. If the Responsible Entity is unable to claim input tax credits on behalf of the Fund, the Responsible Entity retains the ability to recover the entire GST component of all fees and charges.

The impact of GST payments and credits will be reflected in the unit price of the Fund. Investors should seek professional advice with respect to the GST consequences arising from their unit holding.

#### ***Australian Taxation of Australian Resident Investors***

##### ***Distributions***

For each year of income, each Australian resident investor will be required to include within their own tax calculations and tax return filings the assessable income, exempt income, non-assessable non-exempt income and tax offsets (i.e. credits) of the Fund attributed to them by Equity Trustees as the Responsible Entity of the Fund.

The tax consequences for investors in a Fund depends on the tax components of assessable income, exempt income, non-assessable non-exempt income and tax offsets (i.e. credits) of the Fund attributed to them.

Investors will receive an Annual Tax Statement (or an "AMMA" for an AMIT) detailing all relevant taxation information concerning attributed amounts and cash distributions, including any Foreign Income Tax Offset ("FITO") and franking credit entitlements, returns of capital, assessable income, and any upwards or downwards cost base adjustment in the capital gains tax cost base of their units in the Fund (in the case of an AMIT).

An investor may receive their share of attributed tax components of the Fund or net income in respect of distributions made during the year or where they have made a large withdrawal from the Fund, in which case their withdrawal proceeds may include their share of net income or attributed tax components of assessable income, exempt income, non-assessable non-exempt income and tax offsets (i.e. credits). In addition, because Australian investors can move into and out of the Fund at different points in time, there is the risk that taxation liabilities in respect of gains that have benefited past investors may have to be met by subsequent investors.

##### ***Foreign Income***

The Fund may derive foreign source income that is subject to tax overseas, for example withholding tax. Australian resident investors should include their share of both the foreign income and the amount of the foreign tax withheld in their assessable income. In such circumstances, investors may be entitled to a FITO for the foreign tax paid, against the Australian tax payable on the foreign source income. To the extent the investors do not have sufficient overall foreign source income to utilise all of the FITOs relevant to a particular year of income, the excess FITOs cannot be carried forward to a future income year.

##### ***Disposal of Units by Australian Resident Investors***

If an Australian resident investor transfers or redeems their units in a Fund, this may constitute a disposal for tax purposes depending on their specific circumstances.



Where an investor holds their units in a Fund on capital account, a capital gain or loss may arise on disposal and each investor should calculate their capital gain or loss according to their own particular facts and circumstances. As noted above, proceeds on disposal may include a component of distributable income. In calculating the taxable amount of a capital gain, a discount of 50% for individuals and trusts or 33 & 1/3% for complying Australian superannuation funds may be allowed where the units in the Fund have been held for 12 months or more. No CGT discount is available to corporate investors.

Any capital losses arising from the disposal of the investment may be used to offset other capital gains the investor may have derived. Net capital losses may be carried forward for offset against capital gains of subsequent years but may not be offset against ordinary income.

The discount capital gains concession may be denied in certain circumstances where an investor (together with associates) holds 10% or more of the issued units of the Fund, the Fund has less than 300 beneficiaries and other requirements are met. Investors who together with associates are likely to hold more than 10% of the units in the Fund should seek advice on this issue.

### **Australian Taxation of Non-Resident Investors**

#### *Tax on Income*

Each Fund expects to derive income which may be subject to Australian withholding tax when attributed by Equity Trustees as the Responsible Entity of the Fund to non-resident investors.

Australian withholding tax may be withheld from distributions of Australian source income and gains attributed to a non-resident investor. The various components of the net income of the Fund which may be regarded as having an Australian source include Australian sourced interest, Australian sourced other gains, Australian sourced dividends and CGT taxable Australian property.

We recommend that non-resident investors seek independent tax advice before investing, taking into account their particular circumstances and the provisions of any relevant Double Taxation Agreement/ Exchange of Information Agreement ("EOI") between Australia and their country of residence.

#### *Disposal of Units by Non-Resident Investors*

Based on the Fund's investment profile, generally non-resident investors holding their units on capital account should not be subject to Australian capital gains tax on the disposal of units in the Fund unless the units were capital assets held by the investor in carrying on a business through a permanent establishment in Australia. Australian tax may apply in certain circumstances if the non-resident holds their units on revenue account. CGT may also apply in some cases where the Fund has a direct or indirect interest in Australian real property. We recommend that non-resident investors seek independent tax advice in relation to the tax consequences of the disposal of their units.

### **Your privacy**

The Australian Privacy Principles contained in the Privacy Act 1988 (Cth) ("Privacy Act") regulate the way in which we collect, use, disclose, and otherwise handle your personal information. Equity Trustees is committed to respecting and protecting the privacy of your personal information, and our Privacy Policy details how we do this.

It is important to be aware that, in order to provide our products and services to you, Equity Trustees may need to collect personal information about you and any other individuals associated with the product or service offering. In addition to practical reasons, this is necessary to ensure compliance with our legal and regulatory obligations (including under the Corporations Act, the AML/CTF Act and taxation legislation). If you do not provide the information requested, we may not be able to process your application, administer, manage, invest, pay or transfer your investment(s).

You must therefore ensure that any personal information you provide to Equity Trustees is true and correct in every detail. If any of this personal information (including your contact details) changes, you must promptly advise us of the changes in writing. While we will generally collect your personal information from you, your broker or adviser or the Investment Manager, Sub-Investment Manager and Administrator directly, we may also obtain or confirm information about you from publicly available sources in order to meet regulatory obligations.

In terms of how we deal with your personal information, Equity Trustees will use it for the purpose of providing you with our products and services and complying with our regulatory obligations. Equity Trustees may also disclose it to other members of our corporate group, or to third parties who we work with or engage for these same purposes. Such third parties may be situated in Australia or offshore, however we take reasonable steps to ensure that they will comply with the Privacy Act when collecting, using or handling your personal information.

The types of third parties that we may disclose your information to include, but are not limited to:

- stockbrokers, financial advisers or adviser dealer groups, their service providers and/or any joint holder of an investment;
- those providing services for administering or managing the Fund, including the Investment Manager, Sub-Investment Manager, Custodian and Administrator, auditors, or those that provide mailing or printing services;
- our other service providers;
- regulatory bodies such as ASIC, ATO, APRA and AUSTRAC; and
- other third parties who you have consented to us disclosing your information to, or to whom we are required or permitted by law to disclose information to.

Equity Trustees, the Investment Manager or the Sub-Investment Manager may from time to time provide you with direct marketing and/or educational material about products and services they believe may be of interest to you. You have the right to "opt out" of such communications by contacting us using the contact details below.

In addition to the above information, Equity Trustees' Privacy Policy contains further information about how we handle your personal information, and how you can access information held about you, seek a correction to that information, or make a privacy-related complaint.

Full details of Equity Trustees' Privacy Policy are available at [www.eqt.com.au](http://www.eqt.com.au). You can also request a copy by contacting Equity Trustees' Privacy Officer on +61 3 8623 5000 or by email to [privacy@eqt.com.au](mailto:privacy@eqt.com.au).

### **The Constitution**

Each Fund is governed by a constitution that sets out the Fund's operation (the "Constitution"). The Constitution, together with the Fund's PDS, the Corporations Act and other laws, regulate our legal relationship with investors in the Fund. If you invest in the Fund, you agree to be bound by the terms of the Fund's PDS and the Fund's Constitution. You can request a copy of the Constitution free of charge from Equity Trustees. Please read these documents carefully before investing in the Fund.

We may amend the Constitution from time to time in accordance with the provisions in the Constitution and the Corporations Act.

### **Anti-Money Laundering and Counter Terrorism Financing ("AML/CTF")**

Australia's AML/CTF laws require Equity Trustees to adopt and maintain a written AML/CTF Program. A fundamental part of the AML/CTF Program is that Equity Trustees must hold up-to-date information about investors (including beneficial owner information) in each Fund.

To meet this legal requirement, we need to collect certain identification information (including beneficial owner information) and documentation ("KYC Documents") from new investors. Existing investors may also be asked to provide KYC Documents as part of an ongoing customer due diligence/verification process to comply with AML/CTF laws. If applicants or investors do not provide the applicable KYC Documents when requested, Equity Trustees may be unable to process an application, or may be unable to provide products or services to existing investors until such time as the information is provided.

In order to comply with AML/CTF Laws, Equity Trustees may also disclose information including your personal information that it holds about the applicant, an investor, or any beneficial owner, to its related bodies corporate or service providers, or relevant regulators of AML/CTF Laws (whether inside or outside Australia). Equity Trustees may be prohibited by law from informing applicants or investors that such reporting has occurred.

Equity Trustees shall not be liable to applicants or investors for any loss you may suffer because of compliance with the AML/CTF laws.

### Information on underlying investments

Information regarding the underlying investments of a Fund will be provided to an investor of the Fund on request, to the extent Equity Trustees is satisfied that such information is required to enable the investor to comply with its statutory reporting obligations. This information will be supplied within a reasonable timeframe having regard to these obligations.

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

In April 2014, the Australian Government signed an intergovernmental agreement ("IGA") with the United States of America ("U.S."), which requires all Australian financial institutions to comply with the FATCA Act enacted by the U.S. in 2010.

Under FATCA, Australian financial institutions are required to collect and review their information to identify U.S. residents and U.S. controlling persons that invest in assets through non-U.S. entities. This information is reported to the Australian Taxation Office ("ATO"). The ATO may then pass that information onto the U.S. Internal Revenue Service.

In order to comply with the FATCA obligations, we may request certain information from you. Failure to comply with FATCA obligations may result in the Fund, to the extent relevant, being subject to a 30% withholding tax on payment of U.S. income or gross proceeds from the sale of certain U.S. investments. If the Fund suffers any amount of FATCA withholding and is unable to obtain a refund for the amounts withheld, we will not be required to compensate investors for any such withholding and the effect of the amounts withheld will be reflected in the returns of the Fund.

### Common Reporting Standard ("CRS")

The CRS is developed by the Organisation of Economic Co-operation and Development and requires certain financial institutions resident in a participating jurisdiction to document and identify reportable accounts and implement due diligence procedures. These financial institutions will also be required to report certain information on reportable accounts to their relevant local tax authorities.

Australia signed the CRS Multilateral Competent Authority Agreement and has enacted provisions within the domestic tax legislation to implement CRS in Australia. Australian financial institutions need to document and identify reportable accounts, implement due diligence procedures and report certain information with respect to reportable accounts to the ATO. The ATO may then exchange this information with foreign tax authorities in the relevant signatory countries.

In order to comply with the CRS obligations, we may request certain information from you. Unlike FATCA, there is no withholding tax that is applicable under CRS.

## 7. Enquiries

### Keeping in touch

If you have an enquiry regarding the management of the Fund that you have invested in, please contact:

Apex Fund Services Pty Ltd  
Unit Registry  
GPO Box 4968  
Sydney, NSW, 2001  
Phone: 1300 133 451  
Fax: 02 9251 3525  
Email: [SGHinvestorservices@apexgroup.com](mailto:SGHinvestorservices@apexgroup.com)  
Website: [www.apexgroup.com](http://www.apexgroup.com)

## 8. Glossary

### **ATO**

Australian Taxation Office

### **AUSTRAC**

Australian Transaction Reports and Analysis Centre

### **Business Day**

A day other than a Saturday or Sunday on which banks are open for general banking business in Melbourne or if the administrator of the Fund primarily performs its administrative functions in respect of the Fund in a city other than Melbourne, the city in which the administrator performs such functions.

### **Corporations Act**

The Corporations Act 2001 (Cth) and Corporations Regulations 2001 (Cth) and as amended from time to time

### **Fund**

Means ICE Fund – Professional Investor, SGH High Conviction Fund - Professional Investor, SGH Property Income Fund - Professional Investor.

### **FATCA**

US Foreign Account Tax Compliance Act

### **GST**

Goods and Services Tax

### **NAV**

Net Asset Value. The value of the assets of the Fund less the value of the liabilities of the Fund

### **RITC**

Reduced Input Tax Credit. Equity Trustees will apply for RITCs where applicable to reduce the cost of GST to a Fund

### **US Person**

A person so classified under securities or tax law in the United States of America ("US") including, in broad terms, the following persons:

a) any citizen of, or natural person resident in, the US, its territories or possessions; or

b) any corporation or partnership organised or incorporated under any laws of or in the US or of any other jurisdiction if formed by a US Person (other than by accredited investors who are not natural persons, estates or trusts) principally for the purpose of investing in securities not registered under the US Securities Act of 1933; or

c) any agency or branch of a foreign entity located in the US; or

d) a pension plan primarily for US employees of a US Person; or

e) a US collective investment vehicle unless not offered to US Persons; or

f) any estate of which an executor or administrator is a US Person (unless an executor or administrator of the estate who is not a US Person has sole or substantial investment discretion over the assets of the estate and such estate is governed by non-US law) and all the estate income is non-US income not liable to US income tax; or

g) any trust of which any trustee is a US Person (unless a trustee who is a professional fiduciary is a US Person and a trustee who is not a US Person has sole or substantial investment discretion over the assets of the trust and no beneficiary (or settlor, if the trust is revocable) of the trust is a US Person); or

h) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US Person; or

i) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated or (if an individual) resident in the US for the benefit or account of a US Person.

### **We, us**

Refers to Equity Trustees

### **Wholesale Client and Retail Client**

Persons or entities defined as such under section 761G of the Corporations Act

### **You, your**

Refers to an investor