



# DS CAPITAL

## **DS CAPITAL GROWTH FUND** INFORMATION MEMORANDUM

DS CAPITAL PTY LTD ABN 49 156 001 919 AFSL 427283



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## IMPORTANT INFORMATION

This Information Memorandum (IM) has been prepared by DS Capital Pty Ltd ACN 156 001 919 AFSL 427283 (DS Capital, we or us) as trustee for the DS Capital Growth Fund (Fund). This IM sets out general information about the Fund for the recipient of this IM (Recipient) to consider in making a decision as to whether the Recipient should investigate a possible investment in the Fund.

This IM is supplied personally to the Recipient of this IM on the conditions set out below, which are expressly accepted and agreed to by the Recipient, in part consideration of the supply of the IM, as evidenced by the retention by the Recipient of this IM. If these conditions are not acceptable the IM must be returned immediately.

This IM has been prepared for the purpose of making issues of interests in the Fund, which do not require the giving of a product disclosure statement under Part 7.9 Division 2 of the Corporations Act 2001 (Cth) (Corporations Act). Accordingly, the Fund is not, and is not required to be, a registered managed investment scheme under the Corporations Act and this IM is not a product disclosure statement.

This IM does not constitute an offer to sell or the solicitation of an offer to buy any securities other than units in the Fund (Units) or an offer or solicitation in any circumstances in which such an offer or solicitation would be unlawful.

This IM does not purport to contain all the information that may be required to evaluate any transaction in relation to the Fund (or would be required if it were a product disclosure statement). Before investing, the Recipient and intending investors should conduct their own independent review, investigations and analysis of the Fund and of the information contained, or referred to in this IM and, where necessary, consult professional advisors.

Neither DS Capital or its related entities, directors, officers, employees, advisers, associates or representatives make any representation or warranty, express or implied, as to the accuracy, reliability or completeness of the information contained in this IM or subsequently provided to the Recipient by DS Capital, including, without limitation, any historical financial information, estimates and projections and any other financial information derived there from, and nothing contained in this IM is, or shall be relied upon, as a promise or representation, whether as to the past or the future.

All statements of opinion and/or belief in this IM and all views expressed and all projections, forecasts or statements relating to expectations regarding future events or possible future performance of the Fund represent DS Capital's assessment and interpretation of information available as at the date of this IM. No representation is made or assurance given that such statements, views, projections or forecasts are reasonable or correct or that the objectives or prospective returns of the Fund will be achieved. Recipients and intending investors must determine for themselves what reliance (if any) they should place on such statements, views, projections or forecasts and no responsibility is accepted by DS Capital. Intending investors are strongly advised to conduct their own due diligence.

An investment in the Fund does not represent a deposit with or a liability of DS Capital. An investment in the Fund is subject to investment risk, including possible delays in repayment and loss of income or capital invested. None of DS Capital or its related entities, directors, officers, employees, advisers, associates or representatives in any way guarantees the performance of the Fund or any return of capital.

There is no public market for Units in the Fund.

Except insofar as liability under any law cannot be excluded, DS Capital takes no responsibility for the information contained in this IM or in any other way for errors or omissions (including responsibility to any persons by reason of negligence).

This IM has been prepared as at 1 September 2019 (IM Date). This IM was initially prepared on 26 November 2012 and updated subsequently including on the IM Date. Its delivery at any time after the IM Date does not imply that the information contained in it is accurate, timely and complete at any time subsequent to the IM Date. DS Capital may in its absolute discretion, but without being under any obligation to do so, update or supplement this IM. Any further information will be provided subject to these terms and conditions.

DS Capital has not authorised any person to give any information nor make any representation in connection with the Fund or this invitation, which is not contained in this IM and any such information or representation not contained in it must not be relied upon as having been authorised by or on behalf of DS Capital.

DS Capital reserves the right to evaluate any offers and to reject any or all offers submitted, without giving reasons for rejection. DS Capital is not liable to compensate the Recipient or any intending acquirer for any costs or expenses incurred in reviewing investigating or analysing any information in relation to the Fund, in making an offer or otherwise.

The information in this IM is of a general nature only. In preparing this IM we did not take into account any person's needs, objectives or financial situation. Before acting on information contained in this IM you should consider whether it is appropriate for you. Recipients and intending acquirers should seek professional investment, legal and taxation advice as to whether an investment in the Fund is appropriate for them having regard to their personal objectives, financial situation and needs.

The information in this IM is provided personally to the Recipient as a matter of interest only. It does not amount to a recommendation either expressly or by implication with respect to any investment in the Fund.

The contents of this IM are:

- not intended to be disclosed to any person other than the person to whom the IM has been provided to by DS Capital;
- strictly confidential;
- not to be disclosed by any Recipient to any other person or entity, whether an associate or related corporation of the Recipient, other than an employee or professional adviser to the Recipient and then only for the sole purpose of the Recipient considering and taking advice as to whether it will apply for Units in the Fund; and
- not to be reproduced, either in whole or in any part or parts, without DS Capital's prior written consent and, if such written consent is given, only in accordance with that consent.

Only Recipients who are "Wholesale Clients" within the meaning of the Corporations Act may subscribe for investments in the Fund. All amounts expressed in this IM are in Australian dollars, unless specified otherwise.

## 1. KEY FEATURES

Please read the entire IM before making a decision to invest.

<b>Name of the Fund</b>	DS Capital Growth Fund
<b>Information Memorandum Date or IM Date</b>	1 July 2020
<b>Trustee and Investment Manager</b>	DS Capital Pty Ltd   ABN 49 156 001 919   AFSL 427283
<b>The Investment Structure</b>	Australian Unit Trust Open Ended
<b>Investor Eligibility</b>	Wholesale Clients as defined by the Corporations Act
<b>Minimum Initial Investment</b>	\$250,000 DS Capital may, in its absolute discretion, accept a lower amount from an investor who qualifies as a wholesale client.
<b>Issue price of initial series of Units</b>	\$1.00
<b>Investment Horizon</b>	3-5 years
<b>Investment Type</b>	Long only
<b>Investment Objectives</b>	Grow investor's wealth over medium to longer term with a focus on protecting investor's capital.
<b>Investment Strategy</b>	Create and manage a concentrated portfolio of investments based on a combination of quantitative and qualitative analysis.
<b>Valuations</b>	Monthly
<b>Custodian</b>	Mainstream Fund Services Pty Ltd
<b>Fund Administrator</b>	Mainstream Fund Services Pty Ltd
<b>Hurdle</b>	7% (based on a 12 month Performance Period)
<b>Management Fee</b>	1.5% p.a. (plus GST) of the Gross Asset Value of the Fund. The fee will be accrued and paid by the Fund on a monthly basis. Normal expenses of operating the Fund including any administration expenses, director's fees, insurance, accounting costs and postage and printing costs are included as a part of the Management Fee.
<b>Expenses</b>	Brokerage fees and any abnormal expenses associated with the operation of the Fund (e.g. meeting costs and legal fees) are charged separately to the Fund and deducted from the assets of the Fund.
<b>Application Fee</b>	None
<b>Withdrawal Fee</b>	None
<b>Performance Fee</b>	20% (plus GST) of any return above the Hurdle provided that the High Watermark is achieved. This fee will be accrued and paid by the Fund after the completion of each Performance Period.
<b>High Watermark</b>	The closing unit price at the end of the Performance Period in which a performance fee was most recently paid (reduced by the amount of any distributions relating to periods after that date).
<b>Applications</b>	Monthly
<b>Withdrawals</b>	Monthly
<b>Distributions</b>	Annually
<b>Additional Investments</b>	Monthly
<b>Distribution Reinvestment</b>	Annually

## 2. INTRODUCTION TO THE TRUSTEE AND THE FUND

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DS Capital is an independent fund manager that was founded by James Davis and Rodney Brott (the Principals).

DS Capital was established as a wealth creation vehicle for the Principals and co-investors to invest in a focused and disciplined way.

DS Capital follows an institutional, research driven approach with the mindset of a private investor.

DS Capital aims to deliver investors absolute returns comprising capital growth and distributions through a concentrated portfolio of investments (the Portfolio) with a strict focus on capital preservation.

The Fund is a long only fund and does not plan to use any borrowings.

## 3. HOW WE INVEST YOUR MONEY

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### 3.1 INVESTMENT GOAL, FOCUS AND PHILOSOPHY

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We are mindful of the hard work required and the challenges of building and protecting wealth in changing times.

An investor's current capital base is not easily replaced and, therefore, a high priority is placed on seeking to protect it.

The Manager will take calculated risk only after extensive analysis. We do not measure our success by losing less than the next person but by delivering our unit holders an absolute return.

#### 3.1.1 OUR GOAL

Our primary objective is to build wealth for investors over the long term. Making a return on a growing capital base accelerates wealth creation. We always remember that the first rule of compounding wealth is not to destroy it.

With this in mind, the Fund's overall investment objective is to achieve long term capital growth with a continuing focus on capital preservation.

We seek to manage a concentrated portfolio of equity investments with the goal of acquiring interests in businesses with outstanding long term economics that are being mispriced by the stock market.

To meet the overall investment objective, our goal is to achieve a pre-tax return of at least 15% p.a. on every individual investment, comprising both dividends and capital growth. Each investment will have a 3 to 5 year time horizon.

#### 3.1.2 OUR FOCUS

The Fund is not constrained by the size of a business, yet it will predominantly invest in small to medium sized industrial businesses. Given we place a high priority on quality management and being able to engage with them, we tend to gravitate towards small and medium sized listed businesses where access to management is typically easier than it is for larger businesses.

We focus on businesses where we believe we have a competitive advantage. This competitive advantage is derived from a detailed knowledge of the sector, the business and its drivers. We will generally avoid sectors highly exposed to volatility in commodity prices and businesses with start-up or execution risk.

Our focus is on industrial businesses because we find them easier to understand and consider them more likely to have a history of stable and predictable cash flows that we can value.

We focus on profitable businesses and look closely at margins, organic growth, market position and dividend track record. We also concentrate on sectors with structural advantages and barriers to entry.

The Fund is not focused on short term trading opportunities and seeks longer term investments in growth businesses. We focus on situations where we believe the risk of permanent loss of capital is low, whilst still expecting to generate optimal pre-tax returns through a combination of capital growth and dividends.

#### 3.1.3 OUR INVESTMENT PHILOSOPHY

We invest with the mindset of a professional private investor using a focused and disciplined approach.

A research driven investment process, combining quantitative and qualitative analysis, adds value.

Access to management and industry contacts is an integral investment tool.

We define 'risk' as the permanent loss of capital and not share price volatility. Therefore, we only invest when we consider that there is a very low likelihood of the investment resulting in a permanent loss of our investor's capital.

We concentrate on sectors where we have a competitive advantage and on businesses that we understand. We seek to develop our own ideas rather than rely on external research.

We do not limit investment to Australian businesses where an overseas contemporary is better value, providing we are able to undertake our due diligence process and manage the investment from Australia.

### 3.2 WHAT WILL THE FUND INVEST IN?

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The Fund's investments typically focus on two categories:

- Traditional listed equities which are our core strategic equities investments and the major part of the Portfolio (Core Strategic Equities Investments); and
- Event driven opportunities, which is a smaller part of the Portfolio (Event Driven Investments).

Each of these investment categories are explained below.

#### 3.2.1 CORE STRATEGIC EQUITIES INVESTMENTS

This is the main focus of the portfolio.

The investment process draws from the listed universe and generally aims to have a concentrated portfolio of between 15 and 25 investments that we consider have a high prospect of doubling in value. The Fund will aim to not have more than 10% of the Portfolio in any one investment.

We look for the following characteristics in a business:

- Industrial businesses that we understand;
- A high quality management team who act and think like owners and are prepared to engage with investors;
- A strong history of predictable cash flows that we can understand and value;
- Profitable businesses with good margins, organic growth prospects and a strong sustainable market position;
- A track record of strong returns on capital;
- A strong balance sheet with minimal reliance on financial engineering; and
- Economically resilient industries with structural advantages.

Typically these investments have the following attributes:

- Are listed on the Australian Stock Exchange or another major stock exchange;
- We have a high conviction in making the investment;
- We enter the investment with a long term investment horizon;
- DS Capital generally has no direct active involvement in the management of the business e.g. board representation; and
- Are compelling value at the entry price available to the Fund.

The Fund will generally not, as a part of its Core Strategic Equity Investments, invest in businesses in the resources or biotech sectors, or in businesses with significant execution risk. We aim to avoid investments where success is largely reliant on speculating commodity prices correctly or successfully forecasting binary outcomes. However, the Fund may invest in these areas where Event Driven Investment opportunities are present (see below).

#### 3.2.2 EVENT DRIVEN INVESTMENTS

From time to time investment opportunities arise that are outside our Core Strategic Equities Investments focus. While not a core strategic investment, a special event may give rise to a compelling investment opportunity. The opportunity will be assessed with a view to liquidating the investment after the anticipated event has occurred.

Event driven investments may from time to time include listed and unlisted investments and investments in resources, biotech and startup businesses.

These investments will be a smaller part of the portfolio (generally totaling less than 15%) and are likely to fall into one of the following categories:

- Mergers or takeovers where our entry price is underpinned by an announced takeover bid or scheme of arrangement that is, in our view, highly likely to succeed;
- Capital raisings including placements and Initial Public Offers where we can invest at a discount to market prices and valuations;
- Other corporate actions where investments can be made at discounts to market prices and valuations;
- Corporate bonds; and
- Unlisted investments where DS Capital considers that the investment may become listed within a reasonable period of time.

### 3.3 WHAT MAKES US DIFFERENT?

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The Fund is an absolute return fund focused on not losing capital and making a good return so that wealth can be grown and preserved for subsequent generations.

The Principals will focus on businesses and sectors that they know well.

The Principals and their families have made a considerable investment in the Fund alongside Unit holders so that the interests of the Principals and Unit holders are aligned.

The Principals have considerable industry and investment experience and have developed a detailed knowledge and understanding of a number of sectors that will be focused on.

The Principals have experience in international markets as well as across a variety of asset classes that are not the usual focus of most private investors or the focus of many fund managers whose mandates restrict them to Australian equities.

The Principals have an excellent network of contacts in industry, business and investment markets that provide access to a wealth of real life and business experience that is an important aspect of our detailed qualitative research process.

The Principals use a dynamic investment process, detailed below, and will constantly test the investments to be sure that the Fund is invested in the best businesses available to achieve the goal of each investment and protecting the unit holders capital.

### 3.4 OUR PROCESS FOR MAKING INVESTMENTS

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We run an iterative and dynamic investment process that comprises a number of steps.

#### 3.4.1 ESTABLISH A UNIVERSE

We establish a universe of listed businesses that typically have a transparent history of predictable cash flows, allow access to management and have revenues that are not primarily subject to commodity prices. We will also typically avoid businesses in the resources and biotech sectors and businesses that have significant execution risk unless they present an Event Driven Investment opportunity. This leaves a universe of about 300 stocks listed in Australia plus internationally listed comparable stocks (the Universe).

#### 3.4.2 UNDERSTAND THE BUSINESS

We obtain a thorough understanding of each business and its financial position through the use of both quantitative and qualitative tools.

a) Quantitative tools include an analysis of cash flows, building financial models on each company and using traditional financial analysis techniques. At this stage we examine revenue and profit drivers, sustainability of margins, and the quality of cash flows and analyse the balance sheet and future capital investment requirements.

b) Qualitative tools include extensive company visits, discussions with management and dialogue with any other person who may be able to help our understanding and risk assessment of the company which includes customers, suppliers, competitors and current and ex-employees.

### 3.4.3 DETERMINE OUR VALUATION

We determine a value for each of the businesses and focus on businesses trading below our valuation of that business.

We use our proprietary analysis that is based on a blend of traditional valuation techniques with a high focus on cash flow.

We then work out why a company is trading differently to our view of its valuation. We seek to understand what will close the gap between the market price and our valuation and not merely 'hope' that the gap will be closed. We seek to identify what will change that will be the catalyst for the market to re-value the stock. Part of this process is designed to ensure that we time our purchases of shares in the company to minimise our exposure to general market risk.

### 3.4.4 RANK BUSINESSES AND PEER ANALYSIS

We rank businesses relative to each other in accordance with our criteria. This relative ranking helps to define the relative risk/reward on which each of the businesses is currently trading.

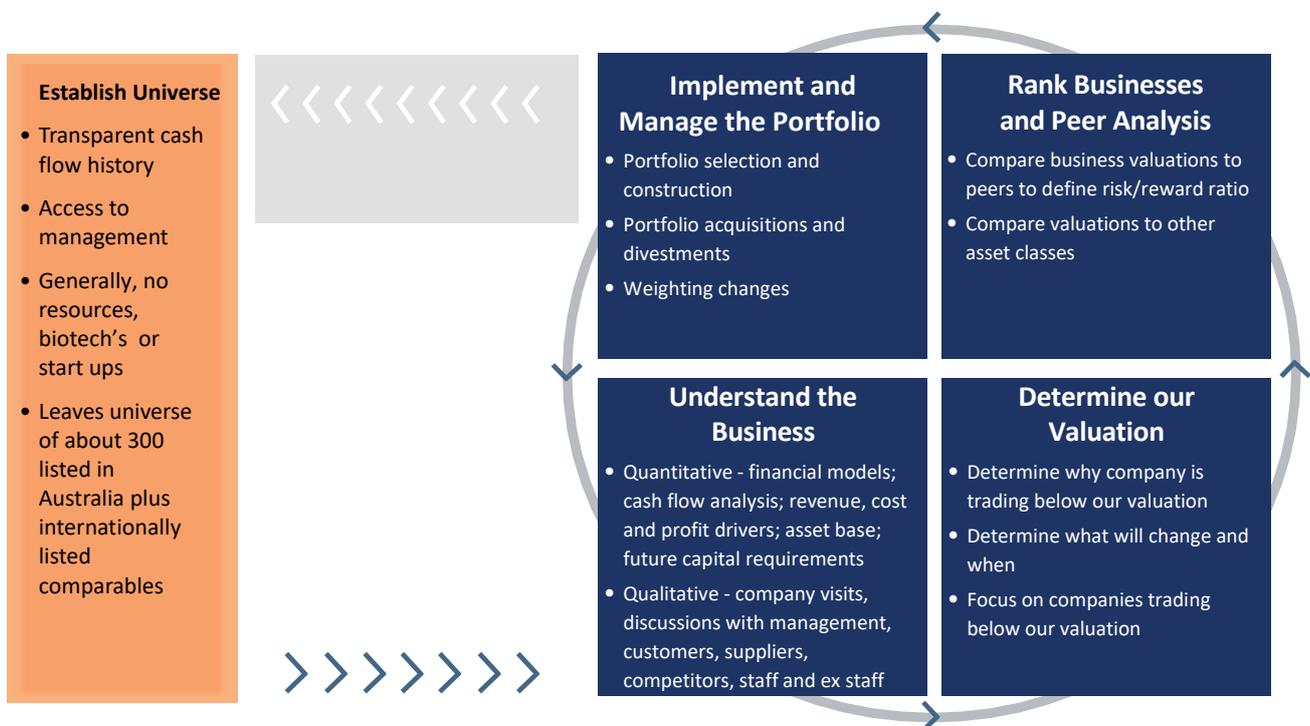
We will also compare our valuation with valuations in other asset classes to ensure that the expected investment returns are commensurate with the risk that we are taking and to ensure our chosen asset class offers a very competitive alternative to investors.

This ongoing process helps to identify businesses that display better risk/reward characteristics than generally available in the market at any given time.

### 3.4.5 IMPLEMENT AND MANAGE THE PORTFOLIO

We then implement the Portfolio based on the analysis and make the appropriate purchases or sales of shares at the appropriate time. The process is dynamic and requires constant management to ensure our Portfolio members and weightings are correct. New information relating to the progress of businesses in our Portfolio and our Universe is passed through the Investment Process to ensure we maintain our investment objectives.

## 3.5 THE PORTFOLIO - A DYNAMIC INVESTMENT PROCESS



### 3.6 SUITABILITY

An investment in the Fund is suitable for:	An Investment in the Fund is not suitable for:
<ul style="list-style-type: none"> <li>Investors seeking exposure to investments that will potentially generate above average longer term returns and are comfortable with the corresponding risk exposure.</li> <li>Investors seeking exposure to investments that have a track record of paying dividends that potentially can form part of annual distributions.</li> <li>Investors wanting to diversify away from traditional equity investments offering market linked returns.</li> <li>Investors who have worked hard to amass wealth and want to see it professionally managed, protected and grown for their benefit and the benefit of future generations.</li> <li>Investors who are looking for exposure to high quality Australian and international businesses and have a medium to longer term investment time horizon.</li> <li>Investors looking to invest with experienced and disciplined managers with a sound track record of generating above average returns.</li> </ul>	<ul style="list-style-type: none"> <li>Investors seeking guaranteed returns or fixed interest type returns.</li> <li>Short term traders.</li> <li>Investors seeking immediate access to their investments outside our traditional monthly redemption window.</li> <li>Investors seeking exposure only to stocks in the ASX top 50 stocks by market capitalisation.</li> <li>Investors seeking broad exposure to resources and materials stocks.</li> <li>Investors seeking exposure to highly speculative investments.</li> <li>Investors seeking exposure only to stocks listed in Australia.</li> </ul>

## 4. BENEFITS OF INVESTING IN THE DS CAPITAL FUND

The key benefits and features of investing in the Fund are as follows.

- exposure to investments that will potentially generate above average longer term returns;
- exposure to investments that have a track record of paying dividends that potentially can form part of annual distributions;
- exposure to businesses that have been highly researched and are constantly and closely reviewed by DS Capital;
- exposure to a portfolio managed in a highly disciplined way with a high priority placed on not losing capital;
- diversification away from traditional equity investments offering market linked returns and which do not track to any particular index. The Fund also limits exposure to any one security and exposure to, in our opinion, high risk earnings from high risk business activities;
- the DS Capital team has a sound track record of generating above average returns; and
- exposure to high quality Australian and international businesses which, have a medium to longer term investment time horizon and a history of good investment returns.

## 5. RISKS OF INVESTING

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

Investors should also be aware that the value of the underlying investments of the Fund may vary. Further, the level of returns from the Fund may vary and future returns may differ from past returns. Returns from the Fund are not guaranteed and investors may lose some or all of their money. The level of risk acceptable to a particular investor will differ depending on various factors including their age, investment time frame, where other parts of their wealth are invested and their risk tolerance.

The following is a summary of what DS Capital considers to be the significant risks of investing in the Fund and its underlying investments. Investors should carefully consider the following significant risk factors that may affect the performance of the Fund before making an investment in the Fund.

## 5.1 FUND SPECIFIC RISKS

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- **Fund risk.** These are risks specific to funds. These risks include that the Fund could terminate, the fees and expenses of the Fund could change, DS Capital may be replaced as responsible entity and manager and DS Capital's investment team may change. There is also a risk that investing in the Fund may lead to a different result than investing in the market personally because of income or capital gains accrued in the Fund and the consequences of investment by and withdrawal of other investors. If any of these risks are realised, the returns an investor receives from the Fund may be reduced.
- **Key Person Risk.** This is the risk that key individuals are no longer able to fulfil their obligations in respect of the investment or administration of the Fund. The performance of the Fund may be dependent on the management skill of one or more individuals. If key personnel are no longer able to fulfil their obligations there is a risk that DS Capital may not be able to find suitably qualified replacement personnel and the performance of the Fund may suffer as a result.
- **Regulatory Risk.** This is the risk that domestic or international laws or regulations are changed adversely in respect of the Fund or that regulatory supervision of transactions and reporting is performed by managers and their custodians at less than an appropriate standard. DS Capital cannot predict what the outcome of any of these risks occurring may be. However, an outcome could be that the performance of the Fund is negatively impacted.
- **Derivative Risk.** Derivatives can be used to reduce risk or gain exposure to other types of investment. The Fund may use derivatives in a number of circumstances, including but not limited to, acquiring options, convertible notes and warrants to gain exposure to specific investments as well as using hedges, swaps and forward contracts to hedge against interest rate risk or currency risk. Risks associated with investing in derivatives may include: the value of the derivative failing to move in line with an underlying investment; potential illiquidity of the derivative; the Fund not being able to meet payment obligations as they arise; and counterparty risk (where the counterparty to the derivative contract cannot meet its obligations under the contract).
- **Liquidity risk.** Liquidity risk is the risk that the Fund's assets will not be able to be sold readily or for their fair value. If a disproportionate amount of the Fund's assets consist of illiquid assets, the Fund may not be able to realise sufficient assets to satisfy withdrawal requests from investors and investors may not be able to receive some or all of the capital they have invested in the Fund.

## 5.2 UNDERLYING INVESTMENT RISKS

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- **Re-financing risk.** DS Capital does not plan to borrow directly to invest. However, the companies in which the Fund invests may borrow. In times of poor market liquidity, companies (as is the case with all borrowers) may find it difficult to re-finance. The value of the Fund's investments will be negatively impacted if an underlying investment is unable to re-finance or if it can only re-finance on unfavorable terms.
- **Investment risk.** The underlying investments of the Fund may fall in value for many reasons, such as changes in an investee entity's internal operations or management, or in the business environment in which the investee entity operates. If underlying investments fall in value, the value of an investment in the Fund will also fall in value.
- **Market risk.** Economic, technological, political or legal conditions and market sentiment can (and do) change. These changes can lead to volatility in the value of investments and the overall level of liquidity in the market. This can affect the value of the Fund's investments and DS Capital's ability to realise the Fund's investments.
- **Interest rate risk.** Changes in interest rates can have a positive or negative impact directly or indirectly on the Fund's investment values or returns. For example, as a result of interest rate changes, the cost of the borrowings of the investee entities in which the Fund invests can decrease or increase or the income return on a fixed interest security can become more or less favorable.
- **Currency risk.** The Fund may invest in businesses in countries other than Australia. If the value of overseas currencies changes relative to the Australian dollar, the value of the investments of the Fund may change.
- **Derivative risk.** The use of derivatives by the underlying companies in which the Fund is invested may cause those companies to lose money which they would not have otherwise lost had they not used derivatives. If this occurs the value of an investment in the Fund may be reduced.
- **Information risk.** Information risk is the risk of investors not being fully informed of pertinent, price sensitive information, especially in relation to offshore investments or markets. Information risk can relate to political, town planning, business or even cultural issues. Information risk is particularly relevant for companies with non-Australian assets. If any of the underlying investments in which the Fund invests do not have all of the necessary local information, the returns that an investor receives from the Fund and the value of their investment in the Fund may be reduced.

- Regulatory risk. This is the risk that, in respect of the Fund's underlying investments, domestic or international laws or regulations are changed adversely or that regulatory supervision of transactions and reporting is performed by managers and their custodians at less than an appropriate standard.
- Key personnel risk. This is the risk that key individuals responsible for the operation of underlying investments in which the Fund invests are no longer able to fulfil their obligations in respect of underlying companies in which the Fund may invest. The performance of the underlying investments in which the Fund invests may be dependent on the management skill of one or more particular individuals. If key personnel are no longer able to fulfil their obligations there is a risk that underlying investments in which the Fund may invest may not be able to find suitably qualified replacement personnel and the performance of the Fund may suffer as a result.

## 6. ABOUT DS CAPITAL PTY LTD

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### 6.1 THE TRUSTEE AND INVESTMENT MANAGER

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DS Capital is a fund manager that was founded by its Principals, James Davis and Rodney Brott in 2012.

DS Capital was established as a wealth creation vehicle to invest and grow capital in a focused and disciplined way. The Principals believe that significant benefits could be derived from having a properly resourced research infrastructure to underpin a professional investment process. Accordingly, the Principals invited like-minded investors to share the benefits of this infrastructure and research process. DS Capital's primary objective is to grow the wealth of unit holders. Investments are made with the mindset of a professional private investor overlaid with a rigorous and structured institutional investment process. The investment process combines quantitative and qualitative measures applied in a disciplined and organised way. The investment process maintains a careful focus on capital preservation.

DS Capital implements the investment process by managing a concentrated portfolio of listed businesses that the Principals believe have outstanding long term economics and are being mispriced by the stock market.

The Fund aims to deliver absolute returns to investors.

Between them, the Principals have close to 40 years investment experience and are experienced in both domestic and international markets. Past performance is not a reliable indicator of future performance.

### 6.2 KEY PERSONNEL - PRINCIPALS

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#### **JAMES DAVIS - CHIEF INVESTMENT OFFICER AND EXECUTIVE DIRECTOR**

James is the Chief Investment Officer and Executive Director of DS Capital and is jointly responsible for managing the portfolio of the DS Capital Growth Fund. James spent 10 years at River Capital and has significant investment management experience gained in his roles as an Executive Director and a Portfolio Manager of the River Capital Growth Fund during that time. In his role as Portfolio Manager, James was involved in managing all aspects of the fund until June 2012. The primary focus of the fund was on industrial growth companies. In addition, James has experience in investing in markets outside Australia as well as experience in investing in other asset classes such as high yield securities. James is a Chartered Accountant, holds a Commerce/ Arts degree from Monash University and has previously worked with KPMG Audit and Corporate Finance and Tolhurst Noall in an Equities Capital Markets role.

#### **RODNEY BROTT – CHIEF EXECUTIVE OFFICER AND EXECUTIVE DIRECTOR**

Rodney is the Chief Executive Officer and Executive Director of DS Capital and is responsible for the management of the operations of DS Capital and is jointly responsible for the management of the portfolio of the DS Capital Growth Fund. Rodney has been an Equities Director, investment advisor and stockbroker for almost 20 years assisting institutional and high net worth clients in growing and managing wealth. Rodney has assisted clients in building and managing equity portfolios, has worked closely with equity analysts and strategists and has had wide exposure to many sectors and asset classes. Rodney holds a Bachelor of Economics and Bachelor of Laws degree from Monash University and a Master of Laws degree from the London School of Economics and was an Equities Director with Ord Minnett until November 2012.

## 7. HOW THE FUND WORKS

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### 7.1 STRUCTURE OF THE FUND

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The Fund is an unregistered managed investment scheme structured as a trust. Investment in the Fund is only open to wholesale clients as defined under the Corporations Act (see “10.1 Eligible Investors” for more information on whether or not you will qualify as a wholesale client).

When you invest in the Fund, you will be issued units in the Fund (Units). Each Unit gives you an entitlement to a beneficial interest in the capital and income of the Fund. However, you are not entitled to any specific assets of the Fund. Generally, the value of your Units may rise or fall depending on the market value of the assets held by the Fund. DS Capital does not guarantee the return of any capital you invested in the Fund or any specific level of return on your investments.

Any Performance Fees are paid by the Fund. When you invest in the Fund you will receive Units in the same series as the initial Units issued by the Fund (unless the Trustee determines to issue Units in a different series). As at the date of this Information Memorandum, all Units in the Fund are in the same series as the initial Units, and it is the intention of the Trustee that all future Units be issued in that same series.

The Issue Price for the initial series of Units was \$1.00 and, subsequently, the Issue Price will be determined having regard to the Net Asset Value of the Fund and the total number of Units on issue (Issue Price). DS Capital will determine the Gross Asset Value and Net Asset Value of the Fund on a monthly basis in order to calculate the amount of the Issue Price and the Withdrawal Price for Units for that month.

### 7.2 APPLICATIONS

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You can apply for Units by sending us an application form and your application money.

Units in the Fund are intended to be issued on a monthly basis. Applications for Units received and accepted by us at least 10 days before the last day of the month will be processed on the first day of the following month or, where the first day is not a business day in Melbourne (Business Day), the next Business Day (Issue Date).

The Issue Price for the initial series of Units issued by the Fund was \$1.00. The Issue Price for subsequent Units will be determined having regard to the Net Asset Value of the Fund and the total number of Units on issue.

Unless otherwise determined by the Trustee (in its absolute discretion), applications for Units received less than 10 days before the end of the month will be processed at the Issue Price effective for the next Issue Date (i.e. the Issue Price determined at the end of the next month).

In addition to making an initial investment, you can also make additional investments in the Fund or reinvest your distributions into the Fund. Investors may make an application for additional Units by completing the additional investment application form attached to this Information Memorandum.

### 7.3 WITHDRAWALS

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You can withdraw your investment in the Fund (minimum \$5,000) by sending us a withdrawal request.

You may request to redeem your Units in the Fund by sending a withdrawal request to us in writing by completing the withdrawal request form attached to this Information Memorandum. Withdrawals will normally be processed on the first day of the month or the next Business Day where the first day of the month is not a Business Day (Withdrawal Date).

The Withdrawal Price applicable to any Withdrawal Date will be determined having regard to the Net Asset Value of the Fund and the total number of Units on issue (Withdrawal Price).

Normally, investors must give DS Capital at least 30 days prior written notice before a Withdrawal Date if they wish to receive the Withdrawal Price effective for that Withdrawal Date. If less than 30 days written notice is given, the withdrawal will be processed at the Withdrawal Price effective for the next Withdrawal Date (i.e. the Withdrawal Price calculated at the end of the next month), unless DS Capital decides, in its absolute discretion, to process the withdrawal request earlier.

In accordance with the trust deed of the Fund (Trust Deed), DS Capital may honor withdrawal requests in its absolute discretion. DS Capital may, in its absolute discretion, suspend withdrawals from the Fund if we believe that it is in the best interests of investors to do so.

A minimum account balance of \$250,000 applies in respect of the Fund. If you make a withdrawal which will result in the Gross Asset Value of your Units falling below the minimum account balance, DS Capital may treat your withdrawal request as relating to the remainder of your Units.

#### 7.4 UNIT PRICING

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The Unit price for the Fund is calculated as at the end of each month.

#### 7.5 DISTRIBUTIONS

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The Fund may pay distributions to investors on an annual basis (Distribution) or as and when the Trustee or the Manager sees fit. The Manager intends that you will receive your distribution payment within 60 days following the end of the financial year. In each financial year, the Fund intends to distribute an amount at least equal to the taxable income of the Fund to investors. The amount of the Distribution paid to each investor is calculated by dividing the total amount to be distributed, which is determined by us, by the total number of Units on issue at the distribution date and multiplying the result by the number of Units held by the relevant investor on that distribution date. DS Capital reserves the right to suspend distributions at any time.

You may elect to have your Distribution from the Fund paid by electronic funds transfer into your nominated account, reinvested in additional Units at the Issue Price effective for the next Issue Date or a combination of both. If you do not make a choice, or if a direct credit rejection occurs, then your Distribution will be automatically reinvested in the Fund.

#### 7.6 TRANSFERS

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Investors may transfer Units held in the Fund with the approval of DS Capital. The purchaser of the Units must be eligible to invest in the Fund. DS Capital may decline to register a transfer of Units in its sole discretion.

#### 7.7 ADDITIONAL INVESTMENTS

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Additional investments may be made by sending to us an Additional Investment Form together with a cheque or a transfer of the additional investment funds into the Applications bank account. Additional investments are made on the terms and conditions set out in the IM current at the time the investment is made.

#### 7.8 CONFIRMATION

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Confirmation of the number of Units issued to you following your initial investment or additional investment will be forwarded to you as soon as is reasonably practicable, which will usually be within 14 Business Days of Units being issued.

#### 7.9 ELECTRONIC INSTRUCTIONS

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If you instruct us by electronic means, such as facsimile or email, you release us from and indemnify us against all losses and liabilities arising from any payment or action we make based on any instruction (even if not genuine) that we receive by an electronic communication which appears to indicate to us that the communication has been provided by you (e.g. a signature which is apparently yours or that of an authorised signatory for the investment or an email address which is apparently yours). You also agree that neither you nor anyone claiming through you has any claim against us or the Fund in relation to any such payment or action.

#### 7.10 INFORMATION ABOUT YOUR INVESTMENTS

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We will provide you with the following information about your investments in the Fund.

<b>Transaction statements</b>	Confirmation statement for each application for Units or withdrawal request made by you.
<b>Annual tax statement</b>	Annual statement confirming distributed income and its components for the last financial year.
<b>Valuation report</b>	Monthly valuation reports of your investment in the Fund.

## 8. FEES AND COSTS

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### 8.1 BUY/SELL SPREAD

Investments in, and withdrawals from, managed funds such as this Fund are commonly subject to a buy/sell spread, which is a reflection of the transaction costs incurred by us as the trustee of the Fund in buying and selling assets when Units in the Fund are issued or redeemed. These costs are additional costs to you.

The application of the buy/sell spread aims to ensure that each investor bears the same proportion of transaction costs associated with their entry to, or exit from, the Fund. The buy/sell spread is charged because entering or exiting the Fund may necessitate the purchase or disposal of assets by the Fund. We will not receive any part of the buy/sell spread.

The amount of the buy/sell spread represents an estimate by us, as the responsible entity, of the transaction costs that are likely to be incurred when buying or selling assets, such as brokerage, government charges, taxes (including stamp duty), commissions, underlying investments buy/sell spread and like costs. Such costs are incurred in the day-to-day management of the Fund and are paid directly from the Fund.

The Fund does not currently charge a buy/sell spread, however may do so in the future by giving notice to investors.

### 8.2 MANAGEMENT FEES AND EXPENSES

DS Capital will be responsible for all aspects of the Fund's affairs, including investigation of opportunities, due diligence, investment of funds, exit from investments, reporting to Investors, fulfilment of all applicable statutory requirements, and the preparation of accounts.

DS Capital is entitled to receive an annual Management Fee of 1.5% (plus GST) per annum of the Gross Asset Value of the Fund each month calculated based on the Gross Asset Value of the Fund at the end of each month. The Management Fee is payable by the Fund at the end of each month.

The Management Fee is intended to cover the normal expenses of operating the Fund and includes any administration expenses, director's fees, insurance, accounting costs and postage and printing costs but excludes any brokerage fees and abnormal expenses. Brokerage fees and abnormal expenses associated with the operation of the Fund including but not limited to unit holder meetings costs, legal fees dealing with investors and regulators will be charged separately to the Fund.

### 8.3 PERFORMANCE FEES

DS Capital has the right to charge a Performance Fee in respect of a Performance Period if the annualised return for that Performance Period is greater than the Hurdle and the closing unit price is greater than the High Watermark.

If a Performance Fee is payable, the amount of the Performance Fee is 20% of the amount by which the actual closing unit price exceeds the closing unit price at which the annualised return would be equal to the Hurdle, multiplied by the total number of Units on issue at the end of the Performance Period.

The Performance Fee is payable by the Fund within 30 days after the end of each Performance Period.

#### 8.3.1 HIGH WATERMARK AND HURDLE

The High Watermark is the closing unit price at the end of the Performance Period in which a Performance Fee was most recently paid (reduced by the amount of any distributions relating to periods after that date). If a Performance Fee has not been paid for a period of 3 years or more, the High Watermark may be reset to such other amount determined and notified by the Trustee to Unit Holders from time to time.

The Hurdle of 7% is based on a 12 month Performance Period and does not compound. The Trustee may change the Hurdle by giving not less than 60 days prior written notice to investors.

#### 8.3.2 DS CAPITAL'S DISCRETION

DS Capital has discretion to waive or defer all or part of its Performance Fee and also change the Performance Period.

DS Capital will, not less than 7 days after the end of the Performance Period, determine, in its absolute discretion, whether the Performance Fee will be payable in respect of that Performance Period.

### 8.3.3 TIMING OF PAYMENT

Where DS Capital determines that a Performance Fee is payable in respect of a Performance Period, the Performance Fee will be paid by the Fund to DS Capital within 30 days from the end of each Performance Period.

### 8.3.4 PERFORMANCE FEE EXAMPLES

Mr and Mrs Smith are issued Units at an application price of \$1.20 per unit on 1 July 2020. On 30 June 2021, the closing price is \$1.40. The Hurdle is \$1.28 (7% above cost price of \$1.20). The High Watermark is \$1.20. A Performance Fee is payable as the closing price is above the Hurdle and the High Watermark. The Performance Fee is 20% of the gain above the Hurdle and is the difference between \$1.40 and \$1.28. The new High Watermark is \$1.40.

On 30 June 2022, the closing price is \$1.47. The Hurdle is \$1.50 (7% above the previous closing price of \$1.40). A Performance Fee is not payable as the closing price is not above the Hurdle. The High Watermark remains at \$1.40 as no Performance Fee was paid for the period.

On 30 June 2023, the closing price is \$1.60. The Hurdle is \$1.57 (7% above the previous closing price of \$1.47). A Performance Fee is payable as the closing price is above the Hurdle and the High Watermark. The Performance Fee is 20% of the difference between \$1.60 and \$1.57. The new High Watermark is \$1.60.

On 30 June 2024, the closing price is \$1.75. The Hurdle is \$1.71 (7% above the last closing price of \$1.60). A Performance Fee is payable as the closing price is above the Hurdle and the High Watermark. The Performance Fee is 20% of the difference between \$1.75 and \$1.71. The new High Watermark is \$1.75.

On 30 June 2025, the closing price is \$1.55. The Hurdle is \$1.87 (7% above the previous closing price of \$1.75). No Performance Fee is payable as the closing price is below the Hurdle and the High Watermark. The High Watermark remains at \$1.75.

On 30 June 2026, the closing price is \$1.70. The Hurdle is \$1.66 (7% above the previous closing price of \$1.55). No Performance Fee is payable as although the closing price is above the Hurdle, it is not above the High Watermark of \$1.75.

Please note that these are examples only. The examples do not reflect the forecast or actual performance of the Fund. The examples do not reflect every possible outcome. For simplicity, the examples use rounding and do not include any distributions or GST which is payable on any Performance Fee.

## 8.4 FEE INCREASES AND ALTERATIONS

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Fees and charges are current as at the IM Date. DS Capital may increase fees up to the maximum amounts permitted under the Trust Deed or by amending the Trust Deed to increase the current permitted maximums. Under the Trust Deed, DS Capital may also change the frequency in which Management Fees, expense recoveries and Performance Fees are calculated and paid. DS Capital does not currently intend to increase the fees and charges set out in this Information Memorandum to the extent that the fees and charges described in this Information Memorandum are determined by DS Capital.

## 8.5 GOODS AND SERVICES TAX (GST)

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All fees stated in this Information Memorandum are exclusive of GST unless otherwise stated.

## 9. TAXATION

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The following is a discussion of taxation issues relevant to an investment in the Fund by investors who are Australian residents for tax purposes and who hold their investment in the Fund on capital account only and who are not subject to the Taxation of Financial Arrangements (TOFA) regime in the tax law.

Taxation issues relevant to non-resident investors are covered in section 9.8. Investors who carry on a business of trading in units or securities are not covered in this section.

As the Australian taxation system is complex and individual investors have different circumstances, potential investors are urged to seek professional taxation advice before investing in the Fund. Investors who are non-residents of Australia are also urged to seek their own tax advice prior to investing in the Fund.

The tax discussion in this IM refers to Australian taxation laws current at the time of publication, which may change. Reliance should not be placed on the brief and general information provided below.

## 9.1 INCOME

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Each financial year the Fund will determine and distribute its net income to investors on a present entitlement basis. The Fund may also distribute certain other amounts not included in the net income of the relevant Fund.

Investors will be provided with an annual tax statement after the end of each financial year detailing their share of the Fund's net income and the various income components comprising their share of net income.

The Fund is a flow-through entity for tax purposes, and DS Capital will not be liable to pay tax on behalf of the Fund or investors (DS Capital may be required to withhold tax on some distributions) where the Fund distributes all of its net income in a financial year.

## 9.2 THE MANAGED INVESTMENT TRUST CAPITAL ACCOUNT ELECTION

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Generally, eligible trusts which have made the MIT capital account election treat gains and losses from shares, units in unit trusts, land and other eligible assets on capital account.

The Fund is an eligible MIT and DS Capital has made a MIT capital account election. Accordingly, gains and losses from eligible assets will be subject to capital gains tax regardless of whether they are held on revenue or capital account under ordinary concepts. All non-eligible assets will be taxed according to ordinary concepts depending on whether they are held on revenue or capital account.

The benefit of electing to treat capital gains and losses on a capital account is that capital gains tax concessions can be passed on from the Fund to the investor (see Capital Gains Tax section).

## 9.3 ATTRIBUTION MANAGED INVESTMENT TRUST REGIME

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The Australian Government has enacted a new elective regime for the taxation of MITs, referred to as the Attribution Managed Investment Trust (AMIT) regime. Subject to eligibility and amending the Trust Deed, DS Capital may elect for the Fund to be classified as an AMIT and be subject to the AMIT rules.

The AMIT regime operates as an elective opt-in basis and there is no timeframe for when this election is required to be made. Once the election is made it is irrevocable.

DS Capital has assessed the application of the AMIT rules to the Fund and has not made an election to apply the AMIT regime. This position and the appropriateness of electing into the AMIT regime will be monitored by DS Capital.

Reforms to the taxation of MIS are generally ongoing and investors should seek their own advice and monitor the progress of such legislative changes.

## 9.4 CAPITAL GAINS TAX

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To the extent that transactions occur on capital account, the Fund will generally distribute capital gains of the Fund that have been realised throughout the financial year. Taxable capital gains that you become entitled to should be included as part of your assessable income.

If you are an individual, trustee or complying superannuation fund, where the capital gain relates to underlying assets held by the Fund for a period greater than 12 months, you may be entitled to reduce the net capital gain by applying the discount capital gains tax concession.

## 9.5 DISPOSAL OR REDEMPTION OF UNITS BY INVESTORS

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Any taxable capital gain arising from the disposal or redemption of your Units may form part of your assessable income. You may be eligible for the discount capital gains tax concession if the Units are held for a period greater than 12 months and you are an individual, trustee or complying superannuation fund.

If you carry on a business of trading in units or securities, you may be assessed in relation to dealings in Units as ordinary income rather than under the capital gains tax provisions. In such cases, you will not be eligible for the discount capital gains tax concession.

## 9.6 FOREIGN INCOME TAX OFFSETS

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Where the Fund pays foreign income tax (or is taken to have paid foreign income tax), you may be entitled to receive a foreign income tax offset (FITO). You will usually include the foreign income and the FITO in your assessable income and you may be eligible for a tax offset for all or part of the FITO. The amount of FITO received will be detailed in the annual taxation statement provided to you.

## 9.7 TAX DEFERRED COMPONENTS OF INCOME

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A portion of the Fund's distributed income may include non-assessable amounts.

Certain non-assessable distributions to you will reduce the cost base of your Units in the Fund. This will be relevant when calculating the capital gain or loss (for capital gains tax purposes) on a subsequent redemption of Units on the withdrawal of the investment. If you have a nil cost base in your Units, the tax deferred component may trigger a taxable capital gain.

This information will be detailed in the annual taxation statement.

## 9.8 TAXATION OF NON-RESIDENT INVESTORS

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The Fund may be required to withhold tax from distributions of Australian source income and capital gains paid (in either cash distribution or reinvestment) to non-resident investors. Withholding tax will be applied at the applicable rates determined under Australian tax law.

Where the Fund has withheld tax, non-resident investors may be entitled to a credit for the Australian tax paid in respect of the non-resident investors' tax liability.

Non-residents investors should obtain taxation advice based on their particular circumstances.

## 9.9 COLLECTION OF DATA ABOUT INVESTORS

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### 9.9.1 COMMON REPORTING STANDARD

Australia has implemented the Organisation for Economic Co-Operation Development (OECD) Common Reporting Standard (CRS) which requires countries from participating jurisdictions to exchange certain information held by financial institutions regarding non-resident investors. The implementation of CRS may require DS Capital to report information in relation to non-resident investors to the Australian Taxation Office (ATO) which may be provided to foreign tax authorities.

### 9.9.2 UNITED STATES FOREIGN ACCOUNT TAX COMPLIANCE ACT

Australia and the US have signed a Model 1 intergovernmental agreement (United States Foreign Account Tax Compliance Act) that requires DS Capital to provide the account information of US tax resident investors to the ATO which is then passed on to the US Internal Revenue Service (IRS). Those US tax residents who fall within the regime may be subject to withholding tax on part or all of the payments they receive from US sources.

## 9.10 GST

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Investors should not be liable to GST on the subscription, redemption or disposal of Units in the Fund.

Unless otherwise stated, fees and charges set out in this IM do not include amounts for GST. Where applicable, GST will be added to and form part of the fees and charges.

Where GST is included in the fees, charges, costs and expenses incurred by the Fund in respect of supplies it acquires, the Fund may be entitled to claim a reduced input tax credit for part of the GST on some of those supplies.

## 9.11 TAX FILE NUMBER (TFN) AND AUSTRALIAN BUSINESS NUMBER (ABN)

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It is not compulsory for you to quote your TFN or ABN. If you are making an investment in the Fund in the course of a business or enterprise carried on by you, you may quote an ABN instead of a TFN. Failure by you to quote an ABN or TFN or claim an exemption may oblige us to withhold tax at the top marginal rate (including Medicare and Budget Repair levies) on gross payments (including distributions of income) to you.

## 10. HOW TO APPLY

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### 10.1 ELIGIBLE INVESTORS

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An investment in the Fund is only open to wholesale clients for the purposes of the Corporations Act.

An investor is a Wholesale Client for the purposes of the Corporations Act, where any one of the following applies:

- the investor’s investment is \$500,000 or more;
- before the Units are to be issued to the investor, the investor (including a trustee of a self-managed superannuation fund as defined in the Superannuation Industry (Supervision) Act 1993 but not any other type of superannuation fund) provides an accountant’s certificate of not more than 24 months old stating that the
- investor has or controls net assets of at least \$2.5m or has or controls a gross income of at least \$250,000 in each of the last two financial years;
- the investor is controlled by a person with such an accountant’s certificate; or
- the investor provides a Statutory Declaration declaring that the proposed unit holder:
  - is a trustee of a superannuation fund (either being a self-managed superannuation fund or any other type of superannuation fund) with net assets of at least \$10m;
  - controls at least \$10m;
  - is a business (being a manufacturer employing 100 people or more, or not being a manufacturer and employs 20 people or more) which acquires the Units for use in connection with its business;
  - holds an Australian Financial Services Licence; or
  - is a ‘professional investor’ as otherwise defined in the Corporations Act.

Please refer to the Application Form for the type of written evidence that we will require to accept your investment as a Wholesale Client.

### 10.2 MIINIMUM INVESTMENT AND WITHDRAWAL AMOUNTS

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The minimum initial investment, additional investment, account balance and withdrawal limits are set out in the table below. All amounts are subject to variation at our absolute discretion.

Minimum initial investment	\$250,000
Minimum additional investment	\$5,000
Minimum account balance	\$250,000
Minimum withdrawal	\$5,000

### 10.3 INITIAL INVESTMENT

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To make an initial investment in the Fund you must send a completed Application Form together with any Anti-Money Laundering/Know Your Customer (AML/KYC) documents to:

Mainstream Fund Services Pty Ltd  
 GPO Box 4968,  
 Sydney, NSW 2001  
 AUSTRALIA

**Email:** investorservices@mainstreamgroup.com  
**Fax:** +61 2 9251 3525

#### 10.4 Your application money may be paid by electronic transfer to:

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**Account Name:** Mainstream Fund Services Pty Limited ACF < DS Capital Growth Fund> Application A/C  
**Bank:** National Bank  
**BSB:** 082 401  
**Account number:** 31 243 2902

Initial investments must be for the minimum amount set out in section 10.2 above.

An Application Form and application money must be received by us at least 10 days before the end of the month for you to be issued with Units on the next Issue Date. Unless otherwise determined by DS Capital, applications and application money received less than 10 days before the end of the month will be processed on the relevant Issue Date for applications received in the next month.

#### 10.5 ADDITIONAL INVESTMENTS

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Investors may make an application for additional Units by completing the additional investment application form attached to this Information Memorandum and making a payment to the Fund in the manner set out in 10.4 above. Additional investments must be for the minimum amount set out in section 10.2 above.

#### 10.6 DISTRIBUTION REINVESTMENT

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You can choose to automatically reinvest your distributions for additional Units in the Fund by making the election in the Application Form or by instructing us in writing (including by facsimile or email). Units issued for reinvested distributions will be issued at the Issue Price calculated at the next Issue Date.

#### 10.7 WITHDRAWALS

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You can make withdrawals from the Fund by instructing us in writing (including by facsimile and email). Your withdrawal request must be for the minimum amount set out in section 10.2 above. Requests for withdrawals must be received by us at least 30 days before the end of the month. DS Capital may accept your withdrawal request at its discretion. If we accept your withdrawal request, withdrawal proceeds will be paid to you within 60 days of the Withdrawal Date.

### 11. OTHER INFORMATION

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#### 11.1 TRUST DEED

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The Fund is governed by a Trust Deed. Copies of the Trust Deed and any deeds amending the original Trust Deed are available from DS Capital free of charge.

#### 11.2 ANTI-MONEY LAUNDERING REGULATIONS

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By applying for Units in the Fund you are taken to agree to the following terms:

- you warrant that you comply with all applicable anti-money laundering laws and regulations, including but not limited to the anti-money laundering laws and regulations of Australia (in force from time to time);
- you are not aware and have no reason to suspect that:
  - the money used to fund your investment in the Fund has been or will be derived from or related to any money laundering or other activities deemed illegal under applicable laws or regulations or otherwise prohibited under any international convention or agreement (“illegal activities”);
  - the proceeds of your investment in the Fund will be used to finance illegal activities; and
  - you agree to promptly provide us with all information that we reasonably request in order to comply with all applicable laws and regulations relating to anti-money laundering.

We are required to obtain certain identification and verification information from you in respect of the Anti- Money Laundering and Counter-Terrorism Financing Act 2006. This information is requested in the Application Form.

### 11.3 PRIVACY

DS Capital is committed to ensuring the confidentiality and security of your personal information. Our Privacy Policy, which details our handling of information, is available upon request or by accessing our website <http://www.dscapital.com.au/privacy-policy>.

DS Capital's contact details for privacy related matters is:

**Name:** Privacy Officer  
**Address:** Level 9, 432 St Kilda Road, Melbourne VIC 3004  
**Tel no.:** +61 3 9222 3300  
**Email:** [info@dscapital.com.au](mailto:info@dscapital.com.au)

When you make an application to invest in the Fund, we will collect personal information from you in the Application Form.

We may also collect additional personal information from you by other means in the future, for example, personal information may be provided to us via meetings, telephone, email, correspondence or through our website. DS Capital collects, holds, uses and discloses clients' personal information for the purposes of:

- providing financial products or services; and
- complying with our regulatory or legal requirements, including:
  - the Anti-Money Laundering & Counter-Terrorism Act 2006
  - the Corporations Act 2001
  - the Australian Securities and Investments Commission Act 2001
  - the Bankruptcy Act 1966
  - the Tax Laws Amendment (Implementation of the FATCA Agreement) Act 2014
  - the Tax Laws Amendment (Implementation of the Common Reporting Standard) Act 2016; and
  - applicable taxation law.

The personal information that you supply to us will be used for the primary purpose of establishing your investment in the Fund and to verify your identity. Your personal information will also be used for the purposes of processing your application, administering your investment, complying with applicable laws and regulations for purposes related to our product and service development.

We may also use your personal information to forward to you, from time to time (including by email), details of other investment opportunities available to you from us. However, if you request, no information of that nature will be sent to you. You can make such a request by contacting us at the above details.

If you do not supply us with some or all the information we need or unable to collect all the information we required, we may be unable to establish your investment in the Fund, process your application and administer your investment.

The types of organisations to which we may disclose the information provided by you include:

- with your consent, your financial adviser and dealer group;
- any third party service provider we may engage to provide custody, administration, technology, auditing, mailing, printing or other services;
- government authorities when, and to the extent, required by law
- our professional advisers (including legal and accounting firms, auditors, consultants and other advisers); and
- anyone else to whom you authorise us to disclose it.

Our Privacy Policy contains information about how a person may access the personal information we hold about them, seek a correction of such information, complain about a breach of the Australian Privacy Principles, and how we deal with such a complaint.

We may disclose personal information to overseas recipients in order to provide our financial products and/or services. The countries in which such recipients are likely to be located include but are not limited to Australia, Ireland and the United States of America.

Before disclosing any personal information to an overseas recipient DS Capital will take reasonable steps to ensure the overseas recipient complies with the Australian Privacy Principles (APPs) or is bound by a substantially similar privacy regime or you otherwise consent to the overseas disclosure or the disclosure is required or authorised by law.

## 12. GLOSSARY

<b>Business Day</b>	Means a business day in Melbourne.
<b>Corporations Act</b>	Corporations Act 2001.
<b>DS Capital, We or Us</b>	DS Capital Pty Ltd.
<b>Fund</b>	DS Capital Growth Fund.
<b>Gross Asset Value or GAV</b>	The value of all the Fund's assets.
<b>High Watermark</b>	The closing unit price at the end of the Performance Period in which a Performance Fee was most recently paid (reduced by the amount of any distributions relating to periods after that date).
<b>Hurdle</b>	7% based on a 12 month Performance Period.
<b>IM or Information Memorandum</b>	This information memorandum.
<b>IM Date</b>	The date of this IM being 1 July 2020. The IM was initially issued on 26 November 2012 and updated subsequently including on the IM Date.
<b>Issue Date</b>	The day on which Units are issued.
<b>Issue Price</b>	The price at which Units will be issued.
<b>Management Fee</b>	1.5% (plus GST) per annum of the Gross Asset Value of the Fund based on the Gross Asset Value of the Fund at the end of each month, calculated and payable by the Fund monthly in arrears within seven days of the end of each month.
<b>MITs</b>	Managed Investment Trusts.
<b>Net Asset Value</b>	The Gross Asset Value less all amounts required to meet liabilities (including the amount of any provisions determined by DS Capital including but not limited to a Performance Fee) and any Distribution payable but not paid.
<b>Performance Fee</b>	The fee that may be payable by the Fund to DS Capital (as described in Section 8), as determined by DS Capital in its absolute discretion, at the end of each Performance Period.
<b>Performance Period</b>	Each period commencing on 1 July of a Financial Year and ending on the earlier of 30 June of that Financial Year and the date on which the Fund is terminated, or such other period determined by the Trustee from time to time.
<b>Politically Exposed Person</b>	Includes a head of state or government, government minister or senior politician, senior government official, judge, governor of a central bank or any other person who holds a position of influence with a reserve bank, senior foreign representative, high ranking member of the armed forces or board chair or senior executive of a state owned enterprise or the immediate family member or associate of any such persons.
<b>Portfolio</b>	The portfolio of investments held by the Fund.
<b>Principals</b>	James Davis and Rodney Brott.
<b>Recipient</b>	A recipient of this IM.
<b>Unit</b>	A Unit in the Fund's unit trust issued in accordance with this Information Memorandum and the Trust Deed.
<b>Wholesale Client</b>	A 'wholesale client' within the meaning of s761G and s761GA of the Corporations Act (refer to 10.1 for further details).
<b>Withdrawal Date</b>	The day on which Units are redeemed by DS Capital.
<b>Withdrawal Price</b>	The price at which Units will be redeemed by DS Capital in accordance with the Trust Deed.

### 13. CORPORATE DIRECTORY

<b>REGISTERED OFFICE OF DS CAPITAL</b>	<p>DS Capital Pty Ltd          ABN: 49 156 001 919          Level 9          432 St Kilda Road          Melbourne VIC 3004          Phone: +61 3 9222 3300          Email: info@dscapital.com.au          Website: dscapital.com.au</p>
<b>LEGAL ADVISERS</b>	<p>SBA Law          Level 15          607 Bourke Street          Melbourne VIC 3000</p>
<b>FUND ADMINISTRATOR</b>	<p>Mainstream Fund Services Pty Ltd          ABN: 81 118 902 891          Level 1          51-57 Pitt Street          Sydney, NSW 2000</p>
<b>CUSTODIAN</b>	<p>Mainstream Fund Services Pty Ltd          ABN: 81 118 902 891          Level 1          51-57 Pitt Street          Sydney, NSW 2000</p>
<b>AUDITORS</b>	<p>KPMG          Tower Two          727 Collins Street          Docklands VIC 3008</p>

## 14. APPLICATION FORM

### 14.1 HOW TO APPLY

**For all applications;**

1. Please complete all applicable areas of this Application Form – Section 1 (Pages 23-37).
2. Attach original certified identification documents requested - Section 2 (Page 38).
3. Send original Application Form and original certified identification documents to:

Attention: Mainstream Fund Services Pty Ltd  
GPO Box 4968  
Sydney NSW 2001

Email: [investorservices@mainstreamgroup.com](mailto:investorservices@mainstreamgroup.com)

**YOU MAY PAY YOUR APPLICATION MONEY BY ELECTRONIC TRANSFER TO:**

<b>Account Name:</b>	<b>Mainstream Fund Services Pty Limited ACF &lt; DS Capital Growth Fund&gt; Application A/C</b>
<b>Bank:</b>	<b>National Bank</b>
<b>BSB:</b>	<b>082 401</b>
<b>Account number:</b>	<b>31 243 2902</b>

DS Capital and the Administrator reserve the right to collect more Anti-Money Laundering/Know Your Customer (AML/KYC) should they require it.

This Application Form forms part of the Information Memorandum for the DS Capital Growth Fund (Fund). DS Capital Pty Ltd ABN 49 156 001 919 AFSL 427283 (DS Capital, Trustee, us or we) is the trustee for the Fund. You must read the Information Memorandum before completing this Application Form. All terms not defined in this Application Form but defined in the Information Memorandum will have the meaning in the Information Memorandum.

In completing this Application Form please note that:

- Supply of a Tax File Number (TFN) is discretionary. It is not an offence if you decide not to supply your TFN.
- If you do not supply your TFN, however, tax will be deducted from your income earned at the highest marginal tax rate (plus Medicare levy) and forwarded to the Australian Taxation Office. These deductions will appear on your statements.
- Joint applications must be signed by all applicants. Joint investments will be deemed to be held as Joint Tenants.
- Applications under Power of Attorney must be accompanied by a certified copy or the original of the Power of Attorney with specimen signatures.
- The minimum initial investment in the Fund is \$250,000. All investors will need to qualify as a Wholesale Client. The trustee of the Fund, DS Capital, may vary these minimum investment amounts from time to time.
- Application monies and application forms should be received by 5.00 pm at least 5 days before the last day of the month (or the next business day in Melbourne if the last day of the month is not a business day) to receive the application price that is valid for that month.

### 14.2 FOREIGN ACCOUNT TAX COMPLIANCE ACT (FATCA) AND COMMON REPORTING STANDARD (CRS)

Australia has passed laws to implement the global standards on the automatic exchange of financial account information. These are commonly referred to as the Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standard (CRS). See Section 9.9 for more detail.

As a result DS Capital is required to identify where an investor in the Fund and its controlling persons (where the investor is an entity) is resident for tax purposes and report information about the investment of foreign tax residents to the Australian Tax Office (ATO). The ATO may then exchange this information with other participating countries that have signed up to the global standards.

DS Capital is not able to provide advice to individual investors and cannot determine the impact or compliance obligations of FATCA or CRS for the investor's business or investment activities. DS Capital strongly encourages investors to seek the advice of an experienced tax or legal advisor to determine what actions investors may need to take in completing the declaration below.

### 14.3 HOW DO YOU QUALIFY AS A WHOLESALE CLIENT

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If you are applying for Units in the Fund having an overall price or value of \$500,000 or more, you'll be automatically deemed a Wholesale Client and no additional documentation is required.

If you are an investor investing less than \$500,000, additional documentation will be required to certify that you are a Wholesale Client in the form of:

1. An accountant's certificate of not more than 24 months old certifying that the proposed Unitholder, including a trustee of a self-managed superannuation fund but not any other type of superannuation fund) has or controls:
  - net assets of at least A \$2.5 million, or
  - gross income for each of the last two financial years of at least \$250,000. OR
2. A statutory declaration that the proposed Unitholder:
  - is an entity controlled by a person with such an accountant's certificate,
  - is a trustee of a superannuation fund (either being a self-managed superannuation fund or any other type of superannuation fund) within the meaning of the Superannuation Industry (Supervision) Act 1993 with net assets of at least A\$10 million,
  - controls at least A\$10 million (including any amount held by an associate or under a trust that the investing entity manages),
  - is a business (being a manufacturer and employs 100 or more people, or not being a manufacturer and employs 20 or more people) which acquires the Units for use in connection with its business,
  - holds an Australian Financial Services Licence, or
  - is a 'professional investor' as otherwise defined in the Corporations Act.

Please contact the Trustee if you need us to assist you in providing the appropriate documentation to certify that you are a Wholesale client.

### 14.4 IF YOU HAVE ANY QUESTIONS

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If you have any questions about any matter relating to the Fund, please contact:

DS Capital Pty Ltd  
 Level 9  
 432 St Kilda Road  
 Melbourne VIC 3004

**Phone Number:** +61 3 9222 3300  
**Email:** info@dscapital.com.au  
**Website:** dscapital.com.au

**SECTION 1: APPLICATION DETAILS**

**INVESTMENT DETAILS**

Application Amount \$

**INVESTOR CONTACT DETAILS**

First Name  Last Name

Phone Number  Mobile Phone Number

Email

Street Address (not PO box)

Mailing Address (if different to the contact person's address above)

Please list below the bank account from which the electronic transfer of funds will be made. The bank account must be in the name of the investor. Distribution payments will be paid into this bank account.

**DISTRIBUTIONS**

I/we elect to receive distributions by:

Distribution reinvestment  Pay to bank account (below)

If no election is made, distributions will be automatically reinvested in additional units in the same series. If you wish to change your election, you must notify DS Capital in writing.

Bank account details (for distributions and redemptions):

BSB:  Account Number:

Account Name:

Name of Bank:

Branch Address:

Banking Information: Please note that in cases where the name of the bank account is not in the same name as the investor as indicated above, documentary information must be provided detailing the reason for, and background to, such a "third party" payment request. Payments that do not originate from an account in the name of the investor, are subject to an approval process. Please note that supporting documentation on the relationship between the third party and investor will need to be provided. Should this not be to the satisfaction of the Administrator, the funds will be returned to the remitting party.

Additionally, as part of our compliance with the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth), the Regulations and Applicable Rules (AML Law), we require detailed verification of the investor's identity and the source of the payment of the application money. If your bank is unable to wire the funds as per the specifications mentioned, we will request your bank to confirm to us in writing that the funds were wired from a bank account held with them in the name of the investor. We reserve the right to request such information as is necessary to verify the identity of any investor.

**SIGNATURE AND DECLARATION**

We request you to issue the units applied for and authorise you to register the applicant as the holder(s) of the units. I/we declare that the execution of this Application Form by me/us constitutes a representation by each applicant that:

- I/we have read and understood the Information Memorandum for the DS Capital Growth (Fund) as at the IM Date;
- this Application Form was detached from the Information Memorandum for the Fund;
- upon allotment of units in the Fund, I/we agree to be bound by the terms of the Information Memorandum and the Trust Deed, as amended from time to time;
- I/we understand that neither the repayment of capital nor the performance of the Fund is guaranteed by any person including DS Capital, its directors, employees and agents;
- I am/we are a Wholesale Client;
- the details given in this Application Form, including the AML Supplement or regarding FATCA & CRS are true and correct and that I/we have the legal power to invest in accordance with this application;
- I/we authorise DS Capital to apply the TFN or ABN provided in this Application Form and authorise it to be applied to all future applications and redemptions for units in the Fund, including reinvestments, unless I/we advise DS Capital otherwise;
- I/we have read the section of the Information Memorandum titled "Privacy" and agree that Fund may collect, use disclose and handle personal information in the manner set out in that section;
- I/we agree to indemnify DS Capital, as Trustee and any of its related bodies corporate against any loss, liability, damage, claim, cost or expense incurred as a result, directly or indirectly, of any of these declarations proving to be untrue or incorrect;
- in the case of joint applications, the joint applicants agree that unless otherwise expressly indicated on this Application Form, the units will be held as joint tenants and either investor is able to operate the account and bind the other investor for future transactions, including additional deposits and redemptions; and
- I/We agree to give further information or personal details to DS Capital if required to meet its obligations under AML Laws or taxation legislation.
- I/we are authorised by, and have the consent of the applicant or any of its Controlling Persons (as is defined under FATCA & CRS), to provide the information given in this Application Form or additional information required for compliance with AML Laws or taxation legislation.
- I/we will notify DS Capital of changes to any information within 30 days of the change occurring and provide any supporting information as may be required by DS Capital.

Account operating instructions (if no selection is made, all individuals to sign will be assumed)

Any individual to sign     
  Any two individuals to sign  
 All individuals to sign     
  Other (please specify):

**SIGNATURE BY INDIVIDUAL OR JOINT APPLICANT(S)**

Signature	<input style="width: 100%;" type="text"/>	Signature	<input style="width: 100%;" type="text"/>
Print Name	<input style="width: 100%;" type="text"/>	Print Name	<input style="width: 100%;" type="text"/>
Date	<input style="width: 100%;" type="text"/>	Date	<input style="width: 100%;" type="text"/>

**SIGNATURE OF CORPORATE APPLICANTS OR CORPORATE TRUSTEE APPLICANTS**

Company Name

As Trustee For  
(if applicable)

By its Directors / Secretary:

Signature

Signature

Print Name

Print Name

Date

Date

INVESTOR TYPE	GO TO
<input type="checkbox"/> Individual/Joint Investors/ Sole Trader/Individual Trustee	Section 1A
<input type="checkbox"/> Company/Corporate Trustee	Section 1B
<input type="checkbox"/> Trust/Superannuation Fund	Section 1C & 1A or 1B
<input type="checkbox"/> Partnership	Section 1D & 1A

If you do not fall into any of the above categories, please contact the Administrator on +61 1300 133 451

**SECTION 1A - INDIVIDUAL / JOINT INVESTORS / SOLE TRADER / INDIVIDUAL TRUSTEE**

**INVESTOR A / INDIVIDUAL TRUSTEE**

Full Name  Title (Mr/Mrs/Miss/Ms)

Date of Birth  Country of residence for tax purposes (not required for individual trustee or partner)  TFN or Exemption Code (not required for individual trustee or partner)

Full business name (if sole trader)  ABN

Residential Address (not PO box)

Suburb  State  Country  Postcode

Principal place of business (if sole trader)

Suburb  State  Country  Postcode

Are you a domestic or foreign Politically Exposed Person? Yes  No

**INVESTOR B / INDIVIDUAL TRUSTEE**

Full Name  Title (Mr/Mrs/Miss/Ms)

Date of Birth  Country of residence for tax purposes (not required for individual trustee or partner)  TFN or Exemption Code (not required for individual trustee or partner)

Full business name (if sole trader)  ABN

Residential Address (not PO box)

Suburb  State  Country  Postcode

Principal place of business (if sole trader)

Suburb  State  Country  Postcode

Are you a domestic or foreign Politically Exposed Person? Yes  No

**SECTION 1B - COMPANY / CORPORATE TRUSTEE**

Full Company Name (as registered by ASIC)

ACN/ARBN (if any)

ABN

TFN, ABN or exemption code (if any)

Country of residence for tax purposes

Country of formation, incorporation or registration

Name of regulator (if licensed by an Australian commonwealth, state or territory statutory regulator)

Licence details

If the company is registered as a proprietary company by ASIC or a private company by a foreign registration body, please provide the name of each directors of the company:

**DIRECTOR 1**

**Full Name**

Address

Suburb

State

Country

Postcode

Are you a domestic or foreign Politically Exposed Person?

Yes

No

**DIRECTOR 2**

**Full Name**

Address

Suburb

State

Country

Postcode

Are you a domestic or foreign Politically Exposed Person?

Yes

No

**DIRECTOR 3**

**Full Name**

Address

Suburb

State

Country

Postcode

Are you a domestic or foreign Politically Exposed Person?

Yes

No

If there are more directors, please provide the above details on a separate page and attach to this AML Supplement.

**Registered office address in Australia**

Suburb

Postcode

State

Country

Principal place of business

Suburb

Postcode

State

Country

**If an Australian company, registration status with ASIC:**

Proprietary company

Public company

**If a foreign company is registered with a foreign registration body, how is it registered:**

Proprietary company

Public company

Other (please specify) Name of the relevant foreign registration body

If a foreign company is not registered with a foreign registration body (or ASIC), please provide the company's full address in its company of formation or incorporation.



Foreign company identification number

Name of the market/exchange

Is the company listed?

No

Yes

Is the company a majority-owned subsidiary of an Australian listed company?

Yes

No

Name of the market/exchange



If the Company is an Australian Proprietary Company or a Foreign Private Company, please provide the details below for each individual who owns through one or more shareholdings more than 25% of the company's issued capital:

**SHAREHOLDER 1****Full Name**

Address (not PO box)

Suburb

State

Postcode

Country

Are you a domestic or foreign Politically Exposed Person?

Yes

No

**SHAREHOLDER 2****Full Name**

Address (not PO box)

Suburb

State

Postcode

Country

Are you a domestic or foreign Politically Exposed Person?

Yes

No

If there are more shareholders, please provide the above details on a separate page and attach to this AML Supplement.

**SECTION 1C - TRUST / SUPERANNUATION FUND**

**TRUST DETAILS**

Full Name of Trust/Superannuation Fund

Full business name of trustee (if any)

TFN, ABN or Exemption Code

Country of residence for tax purposes

Country in which the trust/superannuation fund was established

The full name of the settlor of the Trust

Unless:

- (a) the material asset contribution to the Trust by the settlor at the time the Trust is established is less than \$10,000; or
- (b) the settlor is deceased; or
- (c) the Trust is:
  - (i) a registered managed investment scheme; or
  - (ii) a wholesale managed investment scheme which doesn't make small scale offerings; or
- (d) subject to Commonwealth statutory oversight; or
- (e) the trust is a government superannuation fund established by legislation.

**TYPE OF TRUST**

<input type="checkbox"/>	<b>Category A: Registered managed investment scheme</b>	ARSN	<input type="text"/>
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<input type="checkbox"/>	<b>Category B: Regulated Trust (e.g. self-managed superannuation fund)</b>
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ABN of Trust	Registration/licensing details	Name of regulator (e.g. ASIC, APRA, ATO)
<input type="text"/>	<input type="text"/>	<input type="text"/>

<input type="checkbox"/>	<b>Category C: Government superannuation fund</b>	Name of the legislation establishing the fund	<input type="text"/>
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<input type="checkbox"/>	<b>Category D: Other trust type</b>	Trust description (e.g. family, unit, charitable)	<input type="text"/>
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**Complete if the trust falls under Category D**

Do the terms of the trust identify the beneficiaries by reference to membership of a class?

<input type="checkbox"/>	Yes - Please provide details of membership class(es) (e.g. unitholders, family members of named person, charitable purposes)
<input type="text"/>	

<input type="checkbox"/>	No - Please provide full names of all company and individual beneficiaries below.
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**BENEFICIARY DETAILS**

If the Trust is (a) a registered managed investment scheme; (b) a wholesale managed investment scheme which does not make small scale offerings; (d) subject to Commonwealth statutory oversight; or (e) government superannuation fund established by legislation it does not need to provide the following beneficiary details.

**BENEFICIARY 1**

Full Name

Address

**BENEFICIARY 2**

Full Name

Address

Are you or any of the beneficiaries a domestic or foreign Politically Exposed Person? Yes  No

If there are more beneficiaries, please provide the above details on a separate page and attach to this AML Supplement.

**TRUSTEE DETAILS (ALL INVESTORS) INSERT FULL NAME AND ADDRESS OF EACH TRUSTEE**

**TRUSTEE 1**

Full name of Trustee

Full business address of Trustee



**TRUSTEE 2**

Full name of Trustee

Full business address of Trustee



If individual trustees, please complete Section 1A in respect of one of the individual trustees.

If corporate trustees, please complete Section 1B in respect of one of the corporate trustees.

If the trust is comprised of both individual trustees as well as corporate trustee, please either complete Section 1A in respect of one of the individual trustees, or complete Section 1B in respect of one of the corporate trustees.

**SECTION 1D – PARTNERSHIP**

Full Name of partnership

Registered business name of partnership (if any)

Full address (PO box is not acceptable)

TFN, ABN or Exemption Code

Country of residence for tax purposes

Country in which the Partnership was established

Number of partners

**TYPE OF PARTNERSHIP**

Is the partnership regulated by a professional association?

 Yes

Name of Association

Membership details

 No - Please provide details below with respect to all the partners

**PARTNER 1**

Full Name

Title (Mr/Mrs/Miss/Ms)

Residential address (not PO box)

Are you a domestic or foreign Politically Exposed Person?

Yes

No

**PARTNER 2**

Full Name

Title (Mr/Mrs/Miss/Ms)

Residential address (not PO box)

Are you a domestic or foreign Politically Exposed Person?

Yes

No

If there are more partners, please provide their details on a separate page and attach to this AML Supplement.



**SECTION 1E – FOREIGN ACCOUNT TAX COMPLIANCE ACT (FATCA) AND COMMON REPORTING STANDARD (CRS) SELF-CERTIFICATION DECLARATION**

**This section must be completed by all investors.**

Australia has passed laws to implement the global standards on the automatic exchange of financial account information. These are commonly referred to as the Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standard (CRS).

As a result DS Capital is required to identify where an investor in the Fund and its controlling persons (where the investor is an entity) is resident for tax purposes and report information about the investment of foreign tax residents to the Australian Tax Office (ATO). The ATO may then exchange this information with other participating countries who have signed up to the global standards.

DS Capital is not able to provide advice to individual investors and cannot determine the impact or compliance obligations of FATCA or CRS for the investor’s business or investment activities. DS Capital strongly encourages investors to seek the advice of an experienced tax or legal advisor to determine what actions investors may need to take in completing the declaration below.

**GUIDE TO WHICH SECTIONS YOU SHOULD COMPLETE**

<b>Superannuation Funds</b>	<b>Complete Part 1</b>
<b>Individuals</b>	<b>Complete Part 2</b>
<b>Individuals acting as Trustees</b>	<b>Complete Parts 2 and 4</b>
<b>Companies</b>	<b>Complete Part 3</b>
<b>Trusts</b>	<b>Complete Part 4</b>
<b>Partnerships</b>	<b>Complete Part 5</b>

**1. SUPERANNUATION FUNDS**

**1.1 Are you a self-managed superannuation fund?**

No Proceed to section 2  Yes Complete fund’s ABN and there are no further questions.

**2. INDIVIDUAL(S)**

**2.1 Are you a tax resident of any country other than Australia?**

Tax residency rules differ by country. Whether you are a tax resident of a particular country is often (but not always) based on the amount of time you spend in a country, the location of your residence or place of work. For the US, tax residency can be as a result of citizenship or residency.

**INDIVIDUAL 1**

No Proceed to next question.  Yes DS Capital will contact you for further information.

**INDIVIDUAL 2**

No Proceed to next question.  Yes DS Capital will contact you for further information.

**3. COMPANIES**

**3.1 Is the entity a tax resident of any country other than Australia?**

Tax residency rules differ by country. Whether you are a tax resident of a particular country is often (but not always) based on the amount of time you spend in a country, the location of your residence or place of work. For the US, tax residency can be as a result of citizenship or residency.

No Proceed to section 3.2.  Yes DS Capital will contact you for further information.

**3.2 Is the entity a Financial Institution?**

If unsure, seek advice but generally a Financial Institution includes an investment entity and entities conducting activities on behalf of customers as a business including, trading in money market instruments, individual and collective portfolio management, investing, administering or managing funds on behalf of others, a Depository Institution, a Custodial Institution and certain other prescribed entities. If unsure, seek advice.

No Proceed to section 3.3.  Yes Complete your Global Intermediary Identification Number (GIIN). If you do not complete your GIIN, DS Capital will need to contact you for further information.

GIIN

**3.3 Is the entity a Public Listed Company, or a Majority-Owned Subsidiary of a Public Listed Company?**

This includes public listed companies or majority-owned subsidiaries of listed companies that are not Financial Institutions.

No Proceed to section 3.4.  Yes Complete below and no further information is required.

**Name of the Market or Stock Exchange Where Your Company is Listed**

**Company's Unique Exchange Code (e.g., ASX code, ticker code)**

**Name of the Listed Parent Company if a Majority-Owned Subsidiary**

**3.4 Is the entity a governmental entity, international organisation or central bank?**

This includes an Australian government organisation or agency, Reserve Bank of Australia or International (including intergovernmental) organisations.

No Proceed to section 3.5.  Yes No further information for the entity is required.

**3.5 Is the entity a Passive Non-Financial Entity?**

A Passive Non-Financial Entity is an entity that:

- 1 Is not a Financial Institution (e.g. Depository Institution, Custodial Institution, Investment Entity or Specified Insurance Company); and
- 2 Meets one of the following definitions:
  - More than 50% of gross income in the previous financial year was passive income and more than 50% of the assets are assets that produce or are held for the production of passive income; or
  - is a charity.

All defined terms are as used in FATCA and CRS. Other criteria may also result in the entity not being a Passive Non-Financial Entity. See FATCA and CRS guidance at the ATO website or obtain advice from your advisor.

No There are no further questions for a  Yes Complete below for each Controlling Person. Company entity.

A Controlling Person means any natural person(s) who directly or indirectly owns 25% or more of the company or controls the company (e.g. by determining decisions about the financial and operating policies of the company) or, if there are no natural persons with ultimate control of the entity, the most Senior Managing Officials (e.g., managing director or directors who can sign on behalf of the company).

**CONTROLLING PERSON 1**

**Address (residential/business address – PO Box is not acceptable)**

**Is the person a tax resident of any country other than Australia?**

No Proceed to next question.  Yes DS Capital will contact you for further information.

**CONTROLLING PERSON 2**

**Address (residential/business address – PO Box is not acceptable)**

**Is the person a tax resident of any country other than Australia?**

No Proceed to next question.  Yes DS Capital will contact you for further information.

**CONTROLLING PERSON 3**

**Address (residential/business address – PO Box is not acceptable)**

**Is the person a tax resident of any country other than Australia?**

No Proceed to next question.  Yes DS Capital will contact you for further information.

If there are more Controlling Persons, provide a separate piece of paper with the above information.

If any of the trustees, beneficiaries or settlors (where the settlor is known) are entities, provide a separate piece of paper with the above information. This must be done until the ultimate natural persons with control are listed.

**4. TRUSTS**

**4.1 Is the Trust a superannuation fund?**

No Proceed to section 4.2.  Yes Go back to section 1.

**4.2 Is the Trust entity a tax resident of any country other than Australia?**

Tax residency rules differ by country. Whether you are a tax resident of a particular country is often (but not always) based on the amount of time you spend in a country, the location of your residence or place of work. For the US, tax residency can be as a result of citizenship or residency.

No Proceed to section 4.3.  Yes DS Capital will contact you for further information.

**4.3 Is the Trust entity a Passive Non-Financial Entity?**

A Passive Non-Financial Entity is an entity that:

- 1 Is not a Financial Institution (e.g. Depository Institution, Custodial Institution, Investment Entity or Specified Insurance Company); and
- 2 Meets one of the following definitions:
  - has more than 50% of gross income in the previous financial year was passive income and more than 50% of the assets are assets that produce or are held for the production of passive income; or
  - is a charity.

All defined terms are as used in FATCA and CRS. Other criteria may also result in the entity not being a Passive Non-Financial Entity. See FATCA and CRS guidance at the [ATO website](#) or obtain advice from your advisor.

No There are no further questions for the Trust entity.  Yes Complete below for each Controlling Person.

**4.4 Controlling Persons**

A Controlling Person means any trustee, beneficiary and settlor (where the settlor is known).

**CONTROLLING PERSON 1**

**Address (residential/business address – PO Box is not acceptable)**

**Is the person a tax resident of any country other than Australia?**

No.  Yes DS Capital will contact you for further information.

**CONTROLLING PERSON 2**

**Address (residential/business address – PO Box is not acceptable)**

**Is the person a tax resident of any country other than Australia?**

No.  Yes DS Capital will contact you for further information.

**CONTROLLING PERSON 3**

**Address (residential/business address – PO Box is not acceptable)**

**Is the person a tax resident of any country other than Australia?**

No  Yes DS Capital will contact you for further information.

If there are more Controlling Persons, provide a separate piece of paper with the above information.

If any of the trustees, beneficiaries or settlors (where the settlor is known) are entities, provide a separate piece of paper with the above information. This must be done until the ultimate natural persons with control are listed.

**5. PARTNERSHIPS**

**5.1 Is the Partnership entity a tax resident of any country other than Australia?**

Tax residency rules differ by country. Whether you are a tax resident of a particular country is often (but not always) based on the amount of time you spend in a country, the location of your residence or place of work. For the US, tax residency can be as a result of citizenship or residency.

No Proceed to section 5.2.  Yes DS Capital will contact you for further information.

**5.2 Is the Partnership entity a Passive Non-Financial Entity?**

A Passive Non-Financial Entity is an entity that:

- 1 Is not a Financial Institution (e.g. Depository Institution, Custodial Institution, Investment Entity or Specified Insurance Company); and
- 2 Meets one of the following definitions:
  - has more than 50% of gross income as passive income and more than 50% of the assets are assets that produce or are held for the production of passive income; or
  - is a charity.

All defined terms are as used in FATCA and CRS. Other criteria may also result in the entity not being a Passive Non-Financial Entity. See FATCA and CRS guidance at the [ATO website](#) or obtain advice from your advisor.

No There are no further questions for the Partnership entity.  Yes Complete below for each Controlling Person.

**5.3 Controlling Persons**

List any natural person(s) who directly or indirectly: owns 25% or more of the Partnership or, controls the Partnership (e.g. by determining decisions about the financial and operating policies of the company).

**CONTROLLING PERSON 1**

**Address (residential/business address – PO Box is not acceptable)**

**Is the person a tax resident of any country other than Australia?**

No.  Yes DS Capital will contact you for further information.

**CONTROLLING PERSON 2**

**Address (residential/business address – PO Box is not acceptable)**

**Is the person a tax resident of any country other than Australia?**

No.  Yes DS Capital will contact you for further information.

If there are more Controlling Persons, provide a separate piece of paper with the above information.

If any of the Persons are entities, provide a separate piece of paper with the above information. This must be done until the ultimate natural person(s) with control are listed.

If there are no natural persons with ultimate control of the entity, the most Senior Managing Official of the Partnership (e.g., managing partner) is the Controlling Person.

**SECTION 2: IDENTIFICATION DOCUMENTS - ALL INVESTORS**

To comply with our obligations under AML Law, we must collect certain information, supported by original or certified copies of relevant documents, about each investor. Documents written in a language other than English must be accompanied by an English translation prepared by an accredited translator.

In order to verify the signature(s) on the Application Form, as well as the authority for all future requests, please provide a list of authorised signatories (including specimen signatures), or for individual investors/ trustees, a certified copy of a driver’s licence or passport.

<b>AML CATEGORY</b>	<b>AML CHECKS</b>
<b>INDIVIDUAL</b>	Application Form Certified passport/photo ID Certified proof of address (if not included in photo ID) Sophisticated Investor letter (if applicable)
<b>AUSTRALIAN PRIVATE/ NOMINEE COMPANY</b>	Application Form Company search Or a recent company statement listing shareholders and directors. Sophisticated Investor letter (if applicable) Certified documents as per investor type for one director, and all beneficial owners owning over 25%
<b>PRIVATE/NOMINEE COMPANY (DOMICILED OUTSIDE AUSTRALIA)</b>	Application Form Certified copy of the Certificate of Incorporation Certified copy of Memorandum and Articles of Association/Constitution Certified Register of Members Certified Register of Directors Certified Authorised signatory list Sophisticated Investor letter (if applicable) Certified documents as per investor type for one director, and all beneficial owners owning over 25%
<b>PRIVATE/NOMINEE COMPANY (REGULATED)</b>	Application Form Documentary evidence of regulated status Certified Authorised Signatory List AML letter on company letterhead if acting in a nominee capacity Sophisticated Investor letter (if applicable)
<b>LISTED COMPANY</b>	Application Form Documentary evidence of listing Certified Authorised Signatory List AML letter on company letterhead if acting in a nominee capacity Sophisticated Investor letter (if applicable)
<b>PARTNERSHIP</b>	Application Form Certified copy of partnership agreement Certified copies of identification documents for all partners owning over 25% Sophisticated Investor letter (if applicable)
<b>TRUST/FOUNDATION/ SUPERANNUATION FUND</b>	Application Form Certified copy of trust deed (extracts showing information on trustee or beneficiaries) Certified copies of identification documents for trustee whose details have been completed in Part 1A or Part 1B Sophisticated Investor letter (if applicable)
<b>FUND/CHARITY</b>	Application Form Certified Authorised Signatory List and properly authorised mandate of persons completing the form to act on behalf of the Investor. Documentary evidence of regulated status of IM otherwise provide all documentation required as per IM investor type AML letter on company letterhead from Fund Administrator Sophisticated Investor letter (if applicable)

### SECTION 3: CERTIFIED COPY OF AN ORIGINAL DOCUMENT

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Certified copy means a document that has been certified as a true copy of an original document.

Certified extract means an extract that has been certified as a true copy of some of the information contained in a complete original document by one of the persons described in the sub-paragraphs below.

The certifier should sign the copy (printing his/her name underneath) and clearly indicate his/her position or capacity, and include a contact address and phone number. The certifier must indicate that the document is a true copy of the original document.

People who can certify documents or extracts are:

A person who, under a law in force in a State or Territory, is currently licensed or registered to practice the following occupations:

- Chiropractor;
  - Dentist;
  - Legal practitioner;
  - Medical practitioner;
  - Nurse;
  - Optometrist;
  - Patent/Trademarks attorney;
  - Pharmacist;
  - Physiotherapist;
  - Psychologist; and
  - Veterinary surgeon.
- a lawyer - a person who is enrolled on the roll of the Supreme Court of a State or Territory, or High Court of Australia, as a legal practitioner (however described);
  - a person listed in Part 2 of Schedule 2 of the Statutory Declarations Regulations 1993, which includes but is not limited to:
    - a judge of a court;
    - a magistrate;
    - a chief executive officer of a Commonwealth court;
    - a registrar or deputy registrar of a court;
    - a Justice of the Peace;
    - a notary public (for the purposes of the Statutory Declaration Regulations 1993);
    - a police officer;
    - a postal agent - an agent of the Australian Postal Corporation who is in charge of an office supplying postal services to the public;
    - the post office - a permanent employee of The Australian Postal Corporation with 2 or more years of continuous service who is employed in an office supplying postal services to the public;
    - an Australian consular officer or an Australian diplomatic officer (within the meaning of the Consular Fees Act 1955);
    - an officer at a bank, building society, credit union or finance company with 2 or more continuous years of service with one or more financial institutions (for the purposes of the Statutory Declaration Regulations 1993);
    - a member of the Chartered Accountants Australia and New Zealand, the Australian Society of Certified Practising Accountants or the National Institute of Accountants; and
    - a teacher employed on a full-time basis at a school or tertiary education institution.
  - an officer or authorised representative of a holder of an Australian financial services licence, having 2 or more continuous years of service with one or more licensees.

**15. SOPHISTICATED OR PROFESSIONAL INVESTOR CERTIFICATE**

**To: DS Capital Pty Ltd. Please:**

- Complete Section 1; and
- Complete Section 2 – either complete Option B and have signed by your accountant OR complete Option A; and
- Sign and date Section 3

**SECTION 1: INVESTOR DETAILS**

Full given name(s) or Company name  Surname

Residential address if an individual or company registered office address (PO Box is NOT acceptable)

Suburb  State  Country  Postcode

Telephone  Email

I acknowledge that:

- (a) This Certificate is given to DS Capital Pty Ltd to determine whether it is able to make certain offers of securities to me in compliance with the Corporations Act 2001;
- (b) offers of securities made to me by DS Capital Pty Ltd may be made on the basis of this certificate;
- (c) I may be required to observe certain selling restrictions in Australia in relation to securities offered to me as a registered Sophisticated Investor;
- (d) If I have completed Section 2 Option A, DS Capital Pty Ltd is authorised to send the renewal certificate to my certified accountant on my behalf; and
- (e) I may only act as principal

**SECTION 2: CERTIFICATION**

**OPTION A: PROFESSIONAL INVESTOR CATEGORY**

**I certify that I am (tick whichever box is applicable):**

- A person who controls at least \$10 million (including any amount held by an associate or under a trust that the person manages) for the purpose of investment in securities; or
- A person who is a licensed or exempt dealer and is acting License No:  OR as principal.
- A regulated superannuation fund, an approved deposit fund, a pooled superannuation trust, or a public sector superannuation scheme within the meaning of the Superannuation Industry (Supervision) Act 1993 if the fund, trust or scheme has net assets of at least \$10 million.

Details of the Managed Fund or Superannuation Fund/ Trust/Scheme (block letters please):

Name

Street address

Suburb  State  Country  Postcode

Telephone  Email

NOTE: DS Capital Pty Ltd may require additional independent verification of your professional investor status.

**OPTION B: QUALIFIED ACCOUNTANT'S\* CERTIFICATION**

Details of the Qualified Accountant\*:

Accountant's name

Name of firm

Street address

Suburb

Postcode

State

Country

Telephone

Email

I certify that the following is true and correct in every particular:

- (a) I am a qualified accountant\* within the meaning of section 9 of the Corporations Act 2001;
- (b) This certificate is given at the request of the investor described in Section 1 of this certificate ('Investor');
- (c) This certificate is given for the purpose of the Corporations Act 2001; and
- (d) The Investor has or controls an entity that has:
  - (i) Net assets of at least \$2.5 million; or
  - (ii) Gross income for each of the last 2 financial years of at least \$250,000 a year, and
- (e) The following entities are controlled by the person:

<input type="text"/>	<input type="text"/>
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Entity name

Entity name



Signature

Name and title of Signatory (block letters please)

Date

\* "Qualified accountant" means a member of a professional body that is approved by ASIC in writing for the purpose of the definition. ASIC has indicated that it will approve any member of:

- (a) The Australian Society of Certified Practising Accountants ("ASPCA"), who is entitled to use the post-nominals "CPA" or "FCPA", and is subject to and complies with the ICAA's continuing professional development requirements;
- (b) The Chartered Accountants Australia and New Zealand ("the ICAA"), who is entitled to use the post-nominals of "CA", "ACA" or "FCA", and is subject to and complies with the ICAA's continuing professional education requirements; or
- (c) The National Institute of Accountants ("the NIA"), who is entitled to use the post-nominals "MNIA" or "FNIA", and is subject to and complies with NIA's continuing professional education requirements.

**SECTION 3: INVESTOR'S SIGNATURE**

I declare that I have read and understood this form, and that the information set out is true and correct. Please sign below:

<input type="text"/>	<input type="text"/>	<input type="text"/>
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Signature

Name and title of Signatory (block letters please)

Date

**RETURN THIS FORM**

Please return the completed certificate to the postal address provided below:

**Mail:** DS Capital Fund - Unit Registry  
**Attention:** Mainstream Fund Services Pty Ltd  
 GPO Box 4968  
 Sydney, NSW, 2001, Australia  
**Email:** [investorservices@mainstreamgroup.com](mailto:investorservices@mainstreamgroup.com)

**Fax:** (+612) 8244 1916

**16. ADDITIONAL APPLICATION FORM - DS CAPITAL GROWTH FUND**

**Investor Number**

**Investor Name**

**CONTACT DETAILS**

Contact name

Contact number

**AMOUNT OF ADDITIONAL INVESTMENT**

Please indicate how much you wish to invest

\$

Please note the minimum initial investment amount is \$250,000.00 and the minimum additional investment amount is \$5,000. Please make payment net of all bank charges. Only net amount received will be invested in the Fund.

**PAYMENT DETAILS**

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

Cheque – Payable to: Mainstream Fund Services Pty Limited ACF < DS Capital Growth Fund> Application A/C

Electronic Funds Transfer (EFT) to:

**Account Name:** Mainstream Fund Services Pty Limited ACF < DS Capital Growth Fund> Application A/C

**Account Bank:** National Bank

**BSB:** 082 401

**Account number:** 31 243 2902

**IMPORTANT:**

All EFT payments must be accompanied by a notification email to [investorservices@mainstreamgroup.com](mailto:investorservices@mainstreamgroup.com) in order to ensure that the investor account is properly credited.

**DECLARATION AND AUTHORISATION**

Please make sure you have completed the section above.

In signing, I/we authorise that these instructions be made on my/our behalf and acknowledge that this form is provided on the basis that the Trustee will affect it according to the terms and conditions of the current IM and the Application Form for the Fund that is current as at the date of this Additional Application Form.

Signature

Name and title of Signatory (block letters please)

Date

Signature

Name and title of Signatory (block letters please)

Date

**POST OR EMAIL THIS FORM**

The additional application form is to be mailed or emailed to:

**Mail:** Mainstream Funds Services Pty Ltd GPO Box 4968 Sydney NSW 2001

**Email:** [investorservices@mainstreamgroup.com](mailto:investorservices@mainstreamgroup.com)

NOTE: No investment will be allocated to an investor until both funds, and a valid application form and identification documents (where applicable), have been received by the Administrator.

**17. WITHDRAWAL REQUEST FORM – DS CAPITAL GROWTH FUND**

Investor Number

Investor Name

**CONTACT DETAILS**

Contact name

Contact number

**FULL OR PARTIAL WITHDRAWAL**

Please indicate if you would like to withdraw the total amount of your investment or a partial amount. Please note that a minimum withdrawal amount of \$5,000 applies.

Full withdrawal

Partial withdrawal, please complete the following information:

**Total number of units to be withdrawn**

--	--

OR

Total amount to be withdrawn

\$

When making withdrawals from the Fund, you may:

- nominate the number of Units in the Fund you want to withdraw first by completing the table set out above; or
- nominate the total amount you wish to withdraw from the Fund. In this case, DS Capital will process withdrawal applications on the basis that the oldest Units are withdrawn first.

**DECLARATION AND AUTHORISATION**

Please make sure you have completed the 'Full or Partial Withdrawal' section above.

- In signing, I/we authorise that these instructions be made on my/our behalf and acknowledge that this form is provided on the basis that the Responsible Entity will effect it accordingly to the terms and conditions of the applicable current IM.

Signature

Name and title of Signatory (block letters please)

Date

Signature

Name and title of Signatory (block letters please)

Date

**POST OR EMAIL THIS FORM**

The withdrawal request form is to be mailed or emailed to:

**Mail:** Mainstream Funds Services Pty Ltd GPO Box 4968 Sydney NSW 2001

**Email:** investorservices@mainstreamgroup.com