



# uXchange

## PRODUCT DISCLOSURE STATEMENT

*uXchange ARSN 618 455 673 APIR ETL7569AU*

### **Operator and Responsible Entity Equity Trustees Limited**

**ABN** 46 004 031 298  
**AFSL** 240975

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## Important Information

### About this PDS

This Product Disclosure Statement (“PDS”) is dated 25<sup>th</sup> January 2019 and is issued by Equity Trustees Limited ABN 46 004 031 298, AFSL number 240975 (“Equity Trustees”, “Responsible Entity”, “Operator”, “we”, “our” or “us”), the Responsible Entity of uXchange ARSN 618 455 673 (“the Scheme”).

The PDS should be read with the Investment Menu.

### Terms used in the PDS

Certain terms in this PDS have defined meanings. Refer to the Defined Terms section.

### Website & Investment Menu

The PDS contains a number of references to the Investment Menu, which forms part of this PDS and includes details of available investment options for investment through uXchange. It is available at [www.uxchange.com.au](http://www.uxchange.com.au) and can be obtained on request free of charge. You should consider both the information in this PDS, and the information in the Investment Menu, before making a decision about investing through the Scheme.

### Updated Information

Information in the PDS that is not materially adverse to your interests may be updated by notice to your Adviser and by publishing the information on [www.uxchange.com.au](http://www.uxchange.com.au). You may also be provided updated information electronically. Upon request, a printed copy of any updated information is available free of charge; please ask your Adviser. If there is a change to the information contained in the PDS that is materially adverse to the offer, then the Responsible Entity will issue a supplementary PDS in accordance with the Corporations Act.

### Eligibility Criteria

Application to uXchange is only available to persons who:

- receive the PDS in Australia and have read, understood and accept the terms of the PDS;
- are Australian residents for tax purposes (that are not U.S. Persons) aged 18 years or older with an Australian address and phone number and a valid email address;
- apply through and appoint an Australian licensed and/or an adviser who is registered to distribute uXchange; and
- have a linked Cash Management Account (CMA) to which general withdrawal authority is given to the Administrator.

“uXchange is an IDPS-like Scheme available to Australian members with a licensed financial adviser authorised to distribute the Scheme. This section of the PDS outlines the information you need to read and understand prior to making any investment.”

The Responsible Entity may refuse to accept applications from particular persons or classes of persons.

## Applications

Applications for investment in uXchange via the online Application process, can be submitted on your behalf by your appointed Adviser. You will receive the application form via electronic sign email, for review, acknowledgement, verification and signing. The form will be pre-populated with your information and provide the warnings and declarations you will need to read before your electronic signature is provided. Your Adviser must have entered into an agreement with the Administrator which amongst other things requires that the Adviser provides access to or provides the Administrator, the Responsible Entity and the Issuer of each Managed Fund with the required documents that were used in/for your identification and compliance verification (in accordance with and to comply with applicable Regulatory Requirements, including the Foreign Account Tax Compliance Act ("FATCA"), Common Reporting Standard ("CRS") and the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) ("AML/CTF Laws"). A paper based form is available from the website for cases where the online Application process is not applicable.

## Electronic PDS

This PDS is issued as an electronic product disclosure statement and is available at [www.eqt.com.au/insto](http://www.eqt.com.au/insto) and [www.uxchange.com.au](http://www.uxchange.com.au). Upon request, a printed copy of this PDS will be provided free of charge. Please contact your Adviser.

## General advice only

The information contained in this PDS is general information only and does not take account of your personal financial situation or needs. Before making a decision to invest in uXchange, it is important you read and consider the entire PDS and seek professional advice (including accounting, taxation and other advice from your Adviser) regarding the appropriateness of this investment for your personal circumstances before proceeding to invest. This includes considering your investment objectives, situation and particular investment needs and the risks of investing in uXchange, including those listed in the Risks section.

## Interpretation of legislation

The information in this PDS relating to financial services, taxation and other relevant laws is based on the Responsible Entity's interpretation of existing laws at the time the PDS was prepared. This information is provided as a general overview of how these laws may apply to you; it should not be relied upon as a complete statement of all relevant laws and it may change from time to time. It is recommended you discuss your personal position with your accountant or Adviser.

## About the Responsible Entity

### Equity Trustees Limited

Equity Trustees Limited ABN 46 004 031 298 AFSL 240975 (“Equity Trustees”) a subsidiary of EQT Holdings Limited ABN 22 607 797 615, which is a publicly listed company on the Australian Securities Exchange, is the Scheme’s Responsible Entity and issuer of this PDS. Established as a trustee and executorial service provider by a special Act of the Victorian Parliament in 1888, today Equity Trustees is a dynamic financial services institution which continues to grow the breadth and quality of products and services on offer.

Equity Trustees’ responsibilities and obligations as the Scheme’s Responsible Entity are governed by the Scheme’s constitution (“Constitution”), the Corporations Act and general trust law. Equity Trustees has delegated administration functions to uXchange Pty Ltd which will perform administration services on your behalf. Equity Trustees has appointed an independent, third party Custodian to hold the assets of the Scheme. The Custodian has no supervisory role in relation to the operation of the Scheme and is not responsible for protecting your interests.

## About the Administrator

### uXchange Pty Ltd

The Administrator is uXchange Pty Ltd. The Administrator provides the proprietary web based administration platform, known as the “uXchange Portal”, to deliver the transactional and administration functions for the IDPS-like product known as “uXchange”. The Administrator has given and, as at the date of this PDS, has not withdrawn its consent to the PDS containing information referable to it in the form and context in which that information appears. The Administrator has not issued nor caused the issue of the PDS and is not responsible for any other statements in the PDS which are not referable to it.

## Investment in the Scheme

The Responsible Entity, the Administrator and their related bodies corporate do not guarantee the performance or success of uXchange or any return on your investments. Investments in uXchange are subject to risk, including the risks set out in the Risks section. . An investment in uXchange does not represent an investment or liability of the Responsible Entity or the Administrator. No person has been authorised by the Responsible Entity to make any representation or to give any information about uXchange that is not contained in this PDS. None of the persons mentioned in this PDS have authority to make statements on behalf of, or bind, the Responsible Entity.

## **Your interests**

When you invest in uXchange you are an indirect investor in the underlying Managed Funds that you choose, because the investments are not held in your name, but are held on your behalf. Your rights as an indirect investor are different to your rights if you had invested directly. See Additional Information section for further details on how investing through uXchange differs from a direct investment in the Managed Fund.

## **Cost of investing through uXchange**

The total fees and charges you will pay will include the costs of investing in uXchange as well as the cost of any investment you choose. It is important that you understand the cost structure of each Managed Fund selected by you and your Adviser are in addition to the fees and costs disclosed in this PDS. The cost structure of each Managed Fund is outlined in the Investment Menu and the relevant Managed Fund PDS which is available at [www.uxchange.com.au](http://www.uxchange.com.au). The uXchange fees and other costs are outlined in the Fees and Other Costs section.

## Key Features

“Key features of uXchange are outlined here with the relevant page reference to where more information on the feature can be found in this PDS”

Feature	Overview	Page
<b>uXchange</b>	uXchange is an IDPS-like investment administration platform that allows Members to purchase and sell investments in Managed Funds. uXchange will record and facilitate the payment of distributions from underlying Managed Funds to your linked CMA. It also provides holding, transaction and distribution reporting.	7
<b>Investment Menu</b>	There is a comprehensive list of Managed Funds on the Investment Menu to choose from. To see a list of approved Managed Funds, refer to <a href="http://www.uxchange.com.au">www.uxchange.com.au</a> for the latest Investment Menu or contact your Adviser.	8
<b>Cash Management Account (“CMA”)</b>	All Members intending to use uXchange must have a linked CMA to which general withdrawal authority is given to the Administrator. All settlement amounts are drawn from or paid to this account. Similarly, distribution payments (elected or designated by the Issuer to be paid in cash) are also paid to this account.  The CMA is not part of the legal structure of uXchange.	8 & 20
<b>Risks</b>	There are risks associated with investing in uXchange and in the underlying investments you select.	12
<b>Minimum Investment</b>	The minimum investment into uXchange is \$1,000 unless otherwise permitted by the Responsible Entity. Some Managed Funds also have minimum investment amounts which are outlined in the PDS of the Managed Fund.	17
<b>Applications for Investments</b>	You can instruct us to apply to a Managed Fund in dollars included on the Investment Menu at any time, provided there are sufficient cleared funds in your linked CMA to cover the investment.	20

<b>Distributions</b>	Any distribution or rebate payment made by an underlying Managed Fund is paid to each Member's linked CMA. In your application form, you can nominate to reinvest any distribution payment as an alternative to cash for all your investments in your uXchange Account (subject to the Managed Fund's requirements).	<b>21</b>
<b>Redemptions</b>	You can instruct us to redeem units held in a Managed Fund held in your uXchange Account. We will endeavor to comply with your request promptly, however, it is possible there may be delays or circumstances may arise in which we may not be able to satisfy your request in part or at all.	<b>21</b>
<b>Reporting</b>	All reporting for uXchange is available electronically and by making an Application you are agreeing to receive all reports and correspondence this way, as default by email. Continuous reporting via the uXchange Portal may also be provided in cases where your Adviser has arranged for you to have access. Online access is provided to your Adviser to view and manage your assets.	<b>23</b>
<b>Fees and Other Costs</b>	There are fees and costs payable by you to the Responsible Entity. There are also application and redemption spreads and other costs associated with the underlying Managed Funds you choose.	<b>29</b>
<b>Cooling Off</b>	An investment in uXchange is subject to limited cooling off rights.	<b>38</b>

You should consult your Adviser before deciding on the composition of your Account and an appropriate amount to invest in and or withdraw from uXchange.



## About uXchange

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uXchange is a managed fund transactional hub that enables a Member to manage a portfolio of Managed Funds.

The uXchange technology and legal structure provides a Member (via their appointed Adviser), the ability to easily access, transact and beneficially hold unlisted Managed Funds.

uXchange is an alternative to bank owned platforms in the Australian market place.

### Who is uXchange Pty Ltd?

uXchange Pty Ltd is a subsidiary of Finlancer Holding Pty Ltd (Finlancer) which is a company that owns several complimentary Australian based “fintech” businesses (“Finlancer Group”).

uXchange Pty Ltd is the Sponsor and Administrator of the IDPS-like scheme known as “uXchange”. The company also provides technology services to uXchange.

The Administrator’s dedicated team includes industry professionals with extensive experience in financial planning, superannuation, investment markets and technology, so it understands better than most, the complexities and ever evolving nature of financial services.

Using the Administrator’s proprietary online technology and commitment to outstanding customer service, it believes it is able to deliver a platform solution that is superior to any other in the market place. This, along with the Administrator’s commitment to constant quality, is why the Administrator believes many Advisers choose it for their clients.

“The approved list of managed funds available from uXchange is contained on the Investment Menu which forms part of this PDS.”

## Investment Menu

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The Investment Menu is the list of approved Managed Funds from which you may choose to implement the investment strategy developed by you and your Adviser.

The Investment Menu forms part of this PDS and the Responsible Entity may update it from time to time. You should read the Investment Menu for further details about the assets that can be purchased before making investments via your Account.

You can obtain a copy of the Investment Menu containing the list of approved Managed Funds free of charge in the following ways:

- Go to [www.uxchange.com.au](http://www.uxchange.com.au)
- Contact your Adviser, or
- Call 1300 726 008 or email [enquiries@uxchange.com.au](mailto:enquiries@uxchange.com.au)

## Approved Managed Funds

The Responsible Entity has a policy for the inclusion and removal of Managed Funds to and from the approved list shown on the Investment Menu.

A copy of this policy is available from [www.uXchange.com.au](http://www.uXchange.com.au). The Responsible Entity approves this list.

You can select any approved Managed Fund to build your own portfolio.

The list of approved Managed Funds is extensive and covers a range of asset classes.

## Other Assets

The Responsible Entity may approve other types of investments for inclusion on the Investment Menu. uXchange has been established to offer a menu of well researched and regarded Australian registered Managed Funds.

The Sponsor will work with the Responsible Entity to broaden the available products to meet the expectations of Members and their Advisers. Check the Investment Menu for details before making an investment.

## Your Cash Management Account (CMA)

Each uXchange Account must have a linked CMA where the Administrator has a third party general withdrawal and enquiry authority to process instructions / trades, income and fees.

The linked CMA does not form part of the legal structure of uXchange. This means that you remain the legal and beneficial owner of the account.

Your CMA is used to settle all transactions in your Account as well as receive all contributions, fund all redemptions and pay fees and other expenses.

“uXchange can easily differentiate its offer to the traditional platforms in the market.

Technology and lower costs are our major points of difference.”

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## Benefits

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uXchange provides convenient and transparent investment administration with the ability to implement a portfolio in line with your investment objectives. Some of the key benefits include the items outlined below.

### **Ease of Administration**

The Administrator’s role in operating an IDPS-like arrangement is expected to ensure an easy-to-use system delivering secure electronic and continuous online reporting, tax component details (for distribution) and valuation information including a set of annual reports for each Member.

### **Efficiency**

The technology supporting uXchange has been purpose built to allow an instruction to invest in a Managed Fund from a Member is combined with other similar requests on a daily basis and transmitted to the Custodian for settlement.

Unit holding confirmation from the Custodian is automatically allocated back to the individual accounts which minimises the risks that manual administration processes might bring.

### **Cost**

The cost structure of uXchange under this PDS is transactional based (see the Fees and Other costs section for more details). This fee structure results in a transactional method to purchase, sell and hold investments in Managed Funds.

Compare uXchange cost with your current platform to better understand if it provides cost advantages to you.

### **Online Access**

Your Adviser can access your account information and provide account instructions at any time, view your account details, monitor your investments and access a wide range of reports.

### **Transparency**

uXchange provides reports for each individual investment in your account, as well as all fees, charges and taxes relating to your account on an itemised basis, providing you with a clear understanding of the total costs of investing through uXchange.

### **Cash Management Account**

Your linked CMA is used as the settlement account. This account does not form part of the legal structure of uXchange. This means that you remain the legal and beneficial owner of the account.

### **Indirect Ownership of Assets**

Through uXchange, your investments are held on your behalf and not in your name, however you retain the beneficial ownership of the investments at all times. The indirect ownership of the investments removes many of the burdens of paperwork, manual reconciliation or fax based instructions associated with direct ownership.

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## Risks

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### What is Risk?

'Risk' can generally refer to the variability and volatility of an investment return and the likelihood of incurring a loss on your investment.

### Your Personal Situation

Before you apply to invest in uXchange, you should identify exactly what you want your investments to achieve and what level of risk you are willing to take on the investment failing to perform in line with your expectations, or performing negatively over a period of time. This may depend on your personal situation and stage of life.

We strongly recommend that you obtain personal advice from your Adviser as to the investments you and your Adviser select through uXchange, and also whether uXchange is suitable for your personal situation, needs and investment objectives.

### Some of the risks relevant to uXchange

The following section outlines the risks of uXchange, and of investing generally.

Each Managed Fund listed on the Investment Menu also has its own specific risks, which are considered below.

Importantly, as uXchange offers you the ability to choose your investments, the risks of investing and performance of your portfolio are highly dependent on the investments that you select.

## General Investment Risks & inherent risks of uXchange

### Market Risk

There is always a risk that any investment may fall as well as rise in value through the movement of investment markets as a whole. Market forces will impact the price of investments, and at their worst, market values of some assets may become zero if adverse market conditions are encountered.

### Political Risk

There is a risk that investments could be adversely impacted by political factors. These could include changes to domestic and international political parties, legislative changes (such as the treatment of taxation) or change in government policy.

### Volatility of Returns

Risk is inherent in every investment decision and in general, the higher the risk associated with an investment, the higher the expected potential return

is on the investment. Investment returns may be volatile over time, and the possibility therefore exists for a member to lose money or be unable to recover their initial investment amount. The value of your Account will rise and fall in value. It is important for Members to know that the future performance of any investment in uXchange is not guaranteed, including any return in the form of income.

### **Scheme Risk**

There is an inherent level of risk involved in investing in uXchange. This includes the risk of changes to the Constitution (e.g. altering fees, notice periods or redemption processes). If we increase fees, then we will provide you with 30 days' notice. Other risks include Equity Trustees being removed as the Responsible Entity or uXchange closing and being dissolved.

### **Structural Risk**

The fact that your investments are held indirectly through uXchange means that, compared with direct investments you hold in your own name, your ability to deal with your investment may be affected in the unlikely event of a breach of duty or insolvency on the part of the Responsible Entity or the Custodian.

The structure of uXchange also means that you rely on the Responsible Entity and the Administrator to satisfactorily carry out their obligations through the proper utilisation of their administrative systems and processes. There is a risk that a failure in any of these systems and processes will cause a delay in processing and reporting on your Account amongst other implications.

### **Investment Manager / Fund Manager Risk**

There are risks associated with the management of each Managed Fund in your portfolio. The manager may not achieve the benchmarks set and there is a risk that your investments may not perform as well as expected. Additionally, a manager may lose key people or manage risk poorly, may lose its license to operate or become unable to perform its duties. There is also a risk their mandates or strategies could be altered or closed.

### **Technology Risk & Fraud**

There is a risk persons with access to your Account details may provide us with fraudulent or other unauthorised instructions; you should keep any username and passwords secure, and if contacted regarding a transaction that you were unaware of, contact your Adviser or the Administrator promptly. There is also risk associated with the reliance on technology systems and interfaces provided by external service providers.

### **Legal & Regulatory**

Changes in laws or their interpretation, including taxation, corporations and superannuation laws, may have a negative impact on your investment.

### **Limited Cooling Off Rights**

If you wish to withdraw from uXchange then you can make a request within 14 days from the earlier of the day you receive confirmation of your initial

application, and the end of the fifth day after the day your first investment is made through uXchange. The Responsible Entity must take reasonable steps to close your investment in uXchange and return your investments if any were transferred or purchased during this time.

However, fees and other costs may apply and also the value of the investments may have changed meaning that you may receive an amount / value less than your initial Application amount. Please go to the Cooling-off Rights section for further details.

## Specific Investment Risks

The risks outlined below are not a full list of investment risks and you should read the relevant Managed Fund's PDS.

### Liquidity Risk

Liquidity risk is the risk incurred in possessing a financial product where it is difficult or impossible to realise or redeem the investment because of lack of demand. This risk can be higher for particular types of investments, such as small capitalisation shares, direct property, many alternative assets and some credit instruments. Liquidity may also be limited in certain markets. Additionally, for some investments such as Managed Funds, redemptions may be suspended, delayed or altered at the level of the Managed Funds. This may impact the ability of a Member to exit/liquidate their underlying investment.

Under the terms of the Constitution of uXchange the Responsible Entity is entitled to refuse to act on requests to redeem an investment in uXchange in certain situations.

### Sector Risk

Sector risks include but are not limited to demand for the type of product or service a company produces or provides, commodity prices, the economic cycle of industry, shifts in consumer demands, lifestyle changes or advances in technology.

### Concentration Risk

Concentration risk means that, should a particular asset class be adversely impacted, other highly correlated asset classes run a greater risk that they will also be affected. You have the flexibility to design your investments portfolio as you see fit, however, you should be aware of the risk of concentrating on similar or correlated asset classes and seek specific advice on the level of concentration risk appropriate to your circumstances.

### Equity Risk

Equity risk is the risk inherent in investing in listed equities (e.g. shares), where prices may be volatile due to stock market dynamics. Such dynamics may include company-specific issues (change in management, failure of a business venture, etc.), economic conditions, regulatory changes or political influences. Shares issued by companies may fall in price (value) or at their worst, may lose all of their value. International shares may be affected by foreign exchange (currency) movements,

different taxation treatments to those applied to Australian shares and political and regulatory risks/changes associated with overseas markets and countries.

In a declining market, securities of smaller capitalisation companies may experience short-term price variation and may become less liquid, therefore increasing liquidity risk. Smaller companies are also likely to be more financially dependent upon a small number of key management personnel. This increases the risk of a company becoming insolvent if there are adverse developments, including failure of a product, loss of a large customer or changes in management.

There may be other risks associated with the use of hybrids, convertible preference shares and other non-vanilla equities such as counterparty and settlement risk.

### **Fixed Income Risk**

Fixed income investments are subject to default risk. This is where the credit issuer fails to meet interest payments or repay the principal of your capital or both. By investing in a fixed income investment (via a Managed Fund), there is a risk that if you terminate before the maturity date, you could be subject to costs or reduced interest. Such risks will be outlined in the Managed Fund's PDS.

### **Interest Rate Risk**

Investments may be subject to movements in domestic and international interest rates, which may affect the value of an investment and/or markets as a whole. For example, if interest rates rise, then this may have an adverse effect on the cost of a company's borrowings and fixed interest debt securities may also fall in value. Also, a company or Managed Fund may breach the financial obligations of their financier and be forced to liquidate and repay outstanding debt obligations.

### **Currency Risk**

Currency risk is sometimes called exchange rate risk. Currency risk is the risk inherent in investments made in foreign markets. Movements in the Australian dollar exchange rate can adversely impact the return on an investment denominated in foreign currency, and thus can generate a decline in value or a loss of investments exposed to currency risk. Positive movements in exchange rates can also work in favour of investments exposed to currency risk.

### **Credit Risk**

Credit risk is the risk that a third party to a credit transaction will not honour their obligations and may default on payments of interest and/or principal. In some instances, derivatives such as credit default swaps are used to mitigate such risk, however this may incur derivative risk (see below).

### **Derivative Risk**

A derivative is a financial instrument which has characteristics derived from an underlying asset or index. The use of derivatives attracts a higher level of risk than other investment classes. The risks include the failure of the



value of derivatives to move in line with the underlying asset, a derivative position may be costly to reverse, the parties/counterparties associated with the derivative contract may not fulfill their obligations, and derivatives may be impacted by market liquidity. As derivatives are a leveraged investment, your potential losses and gains are multiplied in relation to movements in the price of the underlying assets.

Derivatives including put and call options can be used to protect against changes in the market value of existing investments, to simulate an investment position without purchasing or redeeming the underlying asset and to partially or substantially manage against various risks such as credit and interest rate risks or to gear an investment or a portfolio.

*Note, that derivatives are not directly traded by uXchange. Some of the Managed Funds on the Investment Menu may use these types of securities, please read the applicable PDS for more information.*

“Your Adviser will assist in the establishment of a uXchange Account online. The process we follow to open an Account is described in this section”

## Establishing an Account

### Your Account

Your account will be established and you will become a Member once we accept your completed electronic Application.

The Eligibility Criteria are outlined in the Important Information section.

The Responsible Entity may refuse to accept applications from particular persons or classes of persons.

### HOW TO APPLY

To apply online for an Account in uXchange you/your Adviser will need to do the following:

1. Your Adviser will need to sign and agree to the terms of an AFSL Agreement with the Administrator;
2. Your Adviser will gather copies of AML/CTF identification documents in accordance with the AML/CTF requirements.
3. You and your Adviser will establish and/or link your CMA to uXchange and ensure the Administrator has third party general withdrawal and enquiry authority on the account;
4. With assistance from your Adviser, the online submission of your Application will be completed, including the required declarations.
5. You will receive an email with a link to an electronic document. The application form will be presented to you, along with personal details of your application, warnings and declarations. If you do not agree with any of the information or do not wish to proceed, you will need to decline to sign and can write the reason for this. Alternatively, if you do not respond within 3 Business Days, your electronic application will be voided. If you do respond within the 3 Business Days with your electronic signature authorising the application to proceed, you will receive firstly a copy of your signed application form by email.
6. Once an authorised signed application form has been received from you, the Administrator will then process the application. If successful, your account will be opened

The manual paper based application form is available on [www.uxchange.com.au](http://www.uxchange.com.au). In circumstances where a paper-based form is used, steps 1 to 3 are still applicable, and step 6.

### Minimum Initial Investment

The minimum initial investment in uXchange is \$1,000 unless otherwise permitted by the Responsible Entity.

### Applications must be complete

An Application will only be processed when the Eligibility Criteria are met, and the process outlined in the “How to Apply” section is fulfilled. We reserve the right to refuse an application in whole or part at our discretion.

## Application Money

All application amounts need to be paid into your linked CMA and held as cleared funds. When an instruction is received from your Adviser to invest in a Managed Fund, the Administrator will transfer the money from your CMA to the Custodian in order to make an investment in to the selected Managed Fund/s. If the cleared funds are not available based on the CMA's records, the order will be rejected.

## In-Specie Transfers In

Your existing holdings of interests in managed funds can be transferred into your uXchange Account (at the time of Application or at a later time) as long as the securities are beneficially owned by you (which may include those held in custody through other services) and

- the Managed Fund is listed on the uXchange Investment Menu as an approved product; and
- the Custodian receives appropriately signed transfer forms.

However, please note that fees and costs may apply (see the Fees and Other Costs section for further details).

## If you cease to have an Adviser

If you cease to have an Adviser appointed, or if your Adviser is no longer authorised to distribute uXchange, you will not be able to retain your Account in uXchange unless another Adviser is appointed to your Account.

Should this occur, you will cease to be an eligible person under the Constitution and the Responsible Entity will provide you three months' notice that action needs to be taken to seek a replacement Adviser, or your Account will be closed. The Administrator will provide you with a list of the Advisers to choose from, if you wish to remain an eligible person under the constitution.

If the notice period expires and you do not have an Adviser appointed, then the Responsible Entity will treat this as a withdrawal of your total Account balance. The assets in your Account will be transferred on your valid instruction or sold, the proceeds transferred to your linked CMA and your Account will be closed.

**“An account in your name is held by uXchange to hold your Investments; this section explains how it works”**

## **How does your account work?**

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When your application in to uXchange has been accepted by the Responsible Entity, an Account will be established for you. The account will hold records of the transactions processed on your behalf and the most recently available value of your account as at the close of business each day.

In conjunction with your Adviser, you choose your investments from the Investment Menu. Your Adviser will be able to monitor unsettled and settled transactions.

You will be provided with quarterly and annual reports. Your Adviser can review, at any time, various reports such as valuations, transactions and holdings. You may also be entitled to obtain access to this information. If you would like to do so please contact your Adviser.

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## Transacting

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Once your Account is established you can begin transacting on your Account. Your Adviser can then provide us with your Managed Fund purchase / redemption instructions.

Please be aware that transacting on your Account will attract fees and other costs. See the Fees and Other Costs section for further details.

### Choosing your Investments

The uXchange Investment Menu contains a list of Managed Funds in which you can invest through uXchange. The complete Investment Menu is available at [www.uxchange.com.au](http://www.uxchange.com.au).

### Account Instructions

Instructions for purchases and redemptions of Managed Funds will be received from your Adviser electronically

We generally process the initial cleared fund instruction order within 1 Business day after we receive them. We generally expect to receive confirmation from the Custodian, within 3 Business Days, that the transaction has been completed. However we note that processing of transactions may be impacted by the fact that certain assets may not be daily priced, or during distribution periods, the Managed Funds may be delayed in processing the instructions for up to 4 weeks. Additionally, there may be times when the processing times are not achievable, for reasons outside our control.

We may accept instructions provided in writing to us by post, however, uXchange is an online product and we do not guarantee the processing timeframe of these manual instructions. There are terms and conditions relating to online instructions to which you agree when you make an application. These are set out in the Authorisations section.

### Cash Account and Timing of Account Instructions

Your CMA may be debited in advance to allow the timely processing of your instruction. This is to facilitate deadlines set by the Issuer of the Managed Fund, the Custodian, and the Administrator. No interest will be payable by the Responsible Entity or the Custodian for the funds held in respect of uXchange during this time period.

In the event that the Issuer rejects the application, your funds will be returned to your linked CMA.

## Distributions

The Custodian will establish separate accounts with each Managed Fund to record the holding of Members that have chosen either reinvestment or cash payment of distributions. Members may elect DRP or cash payment for separate investment options in their account.

Any income received as a cash payment will be transferred to your linked CMA.

Where you have chosen the distribution reinvestment option the amount of the distribution will be applied to purchase additional units in the applicable Managed Fund in accordance with the Issuer's PDS.

The timing of such elections is dependent on the Custodian's process.

## Redeeming all or part of your investment

You can generally request redemption of units in a Managed Fund from your Account at any time by providing an Account Instruction. Payment will be made to your linked CMA. If you would like to transfer your uXchange holding via an In-Specie Transfer, please see the section titled 'In-Specie Transfers Out' below.

We will endeavor to comply with your Account Instruction request to redeem promptly, subject to our and the Issuer's ability.

We may also terminate your interest in uXchange in the event that the amount in your Account is less than any minimum required amount or you cease to be an eligible person. In both situations we will provide you with 30 days' notice of our intention to do so.

Where a Fund Manager imposes a minimum holding requirement and that minimum is breached, the Administrator may be obliged to redeem that investment and return the proceeds to the Member.

## Redemption Instructions

We will generally commence the instruction of redeeming the investments within 1 business day following receipt of your Account Instruction however, there may be delays in redeeming assets due to factors beyond our control, such as market conditions, Managed Fund Issuer restrictions and the liquidity of the investments. See the Risks section for further details.

We would generally expect that the proceeds of the redemption request be available in your linked CMA within seven (7) business days of the confirmation of the order from the Managed Fund Issuer to the Custodian.

Longer periods may apply, for example, in the case of the ex- distribution period of a Managed Fund or a non-daily priced fund.

## Withdrawing Cash

As previously highlighted, your linked CMA does not form part of the legal structure of uXchange. You are therefore able to withdraw cash from this

account at your discretion. A cash withdrawal instruction cannot be processed by the Administrator and you will need to facilitate this request directly with your Adviser and the CMA provider.

Please always ensure there is sufficient cash in your CMA to settle trade instructions and pay fees.

NOTE - We will not accept a variation instruction regarding your nominated bank account from your Adviser. All Account Instructions in relation to changing your nominated CMA must be accompanied by a signature of the Member / primary account holder.

### **In-Specie Transfers Out**

If you no longer wish to hold your investments in uXchange, you may be able to transfer them out by requesting an In-specie transfer. Your Investments can then be held in your own name or through another structure or service.

You must provide a Standard Transfer Form for the transfer Instruction, indicating the details of the requested transfer.

Please note we are only able to transfer your investment in uXchange to an account in the same beneficial name under which your investments are held in uXchange.

There may be a CGT event as a result of the transfer, discuss this with your Adviser. Fees and costs will also apply (see the Fees and Other Costs section for further details).

### **When we will not process redemptions**

We may suspend redemptions of units in your investments if we are unable to redeem the underlying Managed Fund through circumstances outside of our control. Notification of such events will be placed on [www.uxchange.com.au](http://www.uxchange.com.au) and noted in the Investment Menu

Redemption rights may also be affected where redemptions are offered on a scaled-back basis, for example, where the investment is 'illiquid'. As your investments may be pooled with other Members, the amount you could be entitled to may be distributed pro-rata with the other Members resulting in an amount less than would be the case if the investment was held individually.

In some circumstances, Managed Funds may be frozen, meaning that the Issuer of the Managed Fund cannot or will not process redemptions and therefore we would also be unable to process your redemption request from uXchange.

“Reports are provided electronically via email”

## Reporting

You will be provided with quarterly reporting via email. Your Adviser may also provide you with access to continuous reporting online through the uXchange Portal.

We will only accept Applications from Members who agree to receive their reports electronically and who have a valid email address. See details about our online terms and conditions in the Authorisations section.

### Account Information

Each Member's Account is accounted for separately.

The following information about your Account will be provided to you as it becomes available:

- Quarterly report of your holdings and valuation of your Account;
- A transaction history of any investment transactions made on your behalf;
- Any details of distributions received in your Account;
- Tax Distribution statements that detail the allocation of tax components for your Account per holding in that financial year as applicable;
- Any fees, costs and other charges deducted from your Account, which include the costs of investing in uXchange and the costs of the investment options you select as described in the PDS of your investment option; and
- Audited financial statements for the Scheme will be provided as part of annual reporting.

Alternatively, Members with online access should note that when we are applying for or redeeming amounts from the Managed Funds for you, you will not be able to see the exact composition of your Account until these transactions have been settled. There may be times when the delay is for a longer period at the Responsible Entity's or the Fund Managers' discretion (if relevant).

### Confirming Transactions

We will provide you and your Adviser with confirmation of transactions by email unless you have obtained access to continuous reporting online.

### Distribution Reports

The Administrator will provide to each Member an annual report that details the income distributions and allocation of tax components for your Account per holding in that financial year.

### Audit Reports

Each year, we will obtain an independent auditor's report on the systems and controls applied to uXchange that supports the accuracy of the



information in your annual transaction and valuation statements. A copy of this report will be sent electronically to each Member with the annual report within three months of the financial year-end.

### **Communications in relation to your underlying investment**

As the investments in your Account are held in the Custodian's name, the Administrator and the Responsible Entity receive notices about corporate actions and certain other communications that relate to your investments but a separate statement will be provided on your distribution entitlements.

The Responsible Entity or the Administrator may provide a summary of these communications to your Adviser or provide you with a copy of the communications on request. Speak to your Adviser if you would like to receive a copy of this communication.

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## Taxation

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The taxation information in this PDS is intended as a guide only and should not be relied upon by Members as professional taxation advice. The information is based on the Responsible Entity's understanding of the existing and enacted Australian tax law and how it relates to Members as at the date of this PDS. Members should be aware that taxation laws and its interpretations may be subject to change.

It is strongly recommended that Members seek their own independent professional tax advice in relation to an investment via uXchange, as taxation treatments may differ according to individual circumstances.

The following information assumes:

Members are Australian residents for taxation purposes

Members hold investments on capital account (e.g. Members are investors, rather than traders), and accordingly may qualify for Capital Gains Tax ("CGT") concessions for net capital gains made on the disposal of assets held for more than 12 months

Members do not hold their investments on revenue account or as trading stock or as part of a profit-making undertaking or scheme

Members are not subject to the Taxation of Financial Arrangements ("TOFA") regime.

Members are advised to seek their own independent professional tax advice in relation to an investment in uXchange, as taxation treatments may differ according to individual circumstances.

### Taxation of uXchange

Members are the beneficial owners of all of the assets in their individual Accounts and have interests in the assets held through uXchange that cannot be defeated or terminated. As the Members remain the beneficial owners of the assets, they are directly liable for tax payable in relation to those assets. Therefore, uXchange would most likely not be liable to pay tax on the income or gain realised from the Members' assets. Any income or gain attributable to the assets held in a Member's Account is deemed to accrue directly to that Member. In the case where a loss is made from the assets, that loss is also accrued directly to the corresponding Member who holds that particular asset. That Member may carry forward the loss to offset against future taxable income in subsequent years, subject to certain requirements.

## Tax on Income

Broadly, any income derived from Members' Accounts (e.g. dividends, interest, gains on the disposal of investments) should be included in the Members' assessable income. However, Members may be able to offset or decrease its tax liability with tax credits received (e.g. franking credits, foreign income tax credits).

The period of which the Members have held the underlying securities which the franking credits relate to will affect their entitlement to use such credits as a tax offset to their tax liability. The general rule is that Members are only entitled to the franking credits if they have held the securities in question at risk for more than 90 days for preference securities and more than 45 days for ordinary securities.

Members should seek their own independent professional tax advice, because there may be specific operation of the tax law or exemptions that may be specifically relevant to them. Through our online tax reporting, Members can see the approximate tax credits generated by their Accounts.

## Capital Gains

Disposal of investments in Members' accounts arise from redemption requests. These disposals of investments may lead to a net capital gain or loss for the Member under the CGT provisions of the tax legislation. Members are required to include any net capital gain derived in their assessable income for a particular income year.

Where a disposal occurs, the amount of capital gain or loss is generally calculated as sale proceeds less the cost base of the asset. In calculating the taxable amount of a capital gain, a discount of 50% for individuals and trusts or 33 1/3% for complying Australian superannuation funds may be allowed where the asset disposed of have been held for more than 12 months. No CGT discount is available to companies. If the Member realises a capital loss on their investment, the loss may be applied against other capital gains the Member may have. Unused capital losses can be carried forward and may be utilised in a future income year.

## Foreign Investments

Generally, foreign source income (e.g. foreign dividends, interest, distributions and capital gains) should be included in the Members' assessable income in Australia. Members can claim foreign income tax offsets ("FITOs") for foreign income tax or withholding tax paid by a foreign entity in the country from which the income is derived. The amount of FITOs that can be claimed is limited to the higher of \$1,000 or the Australian income tax that would have been payable on the corresponding amount of foreign income. Foreign income or gain on which foreign income

tax is paid must be included in the Members' assessable income for Australian tax purposes before FITOs can be claimed.

In addition, controlled foreign company ("CFC") rules may apply to Members who hold substantial interests in certain foreign entities. If applicable, the rules would operate to attribute certain amounts of income of the CFC to the Member. Members are advised to seek independent professional tax advice in this regard as whether or not these rules apply will depend on their particular circumstances.

### **Providing Your Tax File Number (TFN)**

We will not accept applications to uXchange without a valid TFN, ARSN, Australian Business Number ("ABN") or TFN exemption reason in the Application form.

Although it is legal requirement for Members to provide a TFN or ABN, we may be required to deduct tax at the highest marginal rate plus Medicare levy from all income in circumstances where a Member does not quote a TFN or ABN, or where a Member do not claim an appropriate exemption from quoting a TFN or ABN.

Tax may be withheld on income from foreign sources and is calculated as a rate of withholding tax applied to that foreign income.

### **Goods and Services Tax (GST)**

GST will be charged on, or incorporated into, various expenses paid by the uXchange, including the fees charged for managing and administering the uXchange. All fees quoted in this PDS are inclusive of GST. GST registered eligible Members may be able to claim back part or all of the GST.

### **Foreign Account Tax Compliance Act**

The United States of America enacted the Foreign Account Tax Compliance Act (FATCA) in 2010 to identify U.S. residents that invest in assets through non-U.S. entities. In April 2014, the Australian Government signed an intergovernmental agreement (IGA) with the U.S. which requires all Australian financial institutions to comply with FATCA, as modified by the IGA.

Broadly, uXchange is required to collect and review information to determine whether it has an obligation to report information about certain investors in uXchange to the ATO (which will pass that information onto the Internal Revenue Service). Accordingly, the Scheme may request certain information from Members to enable uXchange to comply with its FATCA obligations.

Failure to comply with FATCA obligations may result in uXchange, to the extent relevant, being subject to a 30% withholding tax on payment of U.S. income or gross proceeds from the sale of certain U.S. investments. uXchange will provide information about its FATCA status where required

so that FATCA withholding is not applied to the relevant U.S. income or gross proceeds. If uXchange suffers any amount of FATCA withholding and is unable to obtain a refund for the amounts withheld, the Responsible Entity will not be required to compensate Members for any such withholding and the effect of the amounts withheld will be reflected in the returns of uXchange.

## **Common Reporting Standard**

The Common Reporting Standard (CRS) is a standardised set of rules developed by the OECD (Organisation for Economic Co-operation and Development) that requires certain financial institutions resident in a participating jurisdiction to implement due diligence procedures to document and identify reportable accounts. Certain financial institutions will also be required to report certain information on those accounts to their relevant local tax authorities.

In this regard, Australia has signed the CRS Multilateral Competent Authority Agreement (CMCAA) and has enacted provisions within the domestic tax legislation to implement CRS in Australia from 1 July 2017. Australian financial institutions will need to implement due diligence procedures to document and identify relevant account holders that are non-resident individuals and entities controlled by non-residents and report certain information with respect to those account holders to the ATO. The ATO may then exchange this information with foreign tax authorities in other relevant signatory countries.

It is expected that uXchange will be a reporting financial institution under the CRS. uXchange intends to comply with its CRS obligations, which will be fulfilled by the Responsible Entity of uXchange. In this regard, unit holders may be required to provide certification of tax residency to the extent units are held on or after 1 July 2017. Penalties may apply if a Member provides a false certification, and Members may not be able to continue holding investments in the Scheme if the appropriate certification is not provided.

uXchange will report information on certain Members to the ATO, which will in turn report this information to relevant foreign tax authorities in other participating jurisdictions. The Responsible Entity will also provide information about uXchange's CRS status when requested by other financial institutions. Unlike FATCA, there is no withholding that is applicable under CRS.

uXchange and the Responsible Entity will not be liable for any loss that a Member may suffer as a result of uXchange compliance with CRS.

## Fees & Other Costs

*“uXchange fees are transactional based rather than an ongoing basis point fee. This cost structure results in a cost-effective way to buy, sell and hold managed funds.*

*Compare uXchange fees with other platforms to better understand the cost advantages of our approach”*

### DID YOU KNOW?

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

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

### TO FIND OUT MORE

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

## Fees & Costs

This PDS shows fees and other costs that you may be charged. Under the Constitution these fees are payable to the Responsible Entity and you should be aware there may be other costs or expenses you pay for the particular investment options you select. These fees and costs may be deducted from your money, from the returns on your investment or from the uXchange assets as a whole. Information on tax is outlined in the Taxation section of this PDS.

You should read all of the information about fees and costs because it is important that you understand their impact on your investment. Fees and costs for the Managed Funds are set out in the Investment Menu available on the website at [www.uxchange.com.au](http://www.uxchange.com.au) or in the Issuer PDS's. All fees are quoted inclusive of GST.

Type of Fee or Cost	Amount (incl GST)	How and When Paid
<b>Fees when money moves in or out of uXchange</b>		
<b>Establishment Fee</b> The fee to open your investment in uXchange	Nil	Not Applicable
<b>Contribution Fee</b> The fee on the initial amount contributed to your investment	Nil	Not Applicable

Type of Fee or Cost	Amount (incl. GST)	How and When Paid
<b>Exit Fee<sup>1</sup></b> The fee to close your account	Nil	Not Applicable
<b>Management Costs. The fees and costs of managing your investment</b>		
<b>Transaction Fee<sup>2</sup></b> The amount you pay for processing transactions. There may also be other costs you pay associated with transactions like the buy or sell spreads of the Issuer of a Managed Fund.	For each Managed Fund application or redemption by the Administrator for your account, a transaction fee equal to 11 basis points of each transaction value is applicable. This fee is capped at \$55.00 for each transaction and has a minimum of \$11.00 for each transaction (equivalent to the fee applicable to a \$10,000 investment).	This is deducted from your CMA linked to your Account and paid to the Administrator at the time of the transaction when you make an application i.e. in addition to the settlement amount for the purchase, or if you are redeeming then the fee is deducted from the proceeds of sale upon settlement prior to deposit of the balance of the funds into your linked CMA.
<b>Relationship Fee<sup>3</sup></b> The minimum annual relationship fee for operating your Account in uXchange which is payable to the Responsible Entity.	A minimum relationship fee of \$110.00 per annum applies to each account established in uXchange. Any transaction fee charged to your account is offset against this amount. If transaction fees in any financial year exceed this minimum amount no Relationship Fee is payable.	This is determined on the anniversary of each account and processed from your linked CMA within a month of that date.
<b>Investment Fee<sup>4</sup></b> The amount you pay for investing in a managed fund  Fund Managers may also charge fees in respect of their Managed Funds.	See the Investment Menu and each Issuer's PDS for the Management Costs for each Managed fund	As detailed in each Managed Fund PDS
<b>In-Specie Transfer Fee In to uXchange</b> The amount you pay to recover expenses incurred in transferring your existing investments in a Managed Fund in to your account	Nil unless your interests in the relevant managed funds are redeemed within 3 months of the in-specie transfer in, in which case a fee of up to \$44 per redeemed managed fund applies.	This is deducted from the CMA linked to your Account at the time your interests in the relevant managed funds are sold.

<p><b>In-Specie Transfer Fee Out of uXchange</b></p> <p>The amount you pay to recover expenses incurred in transferring your existing investments in a Managed Fund out of uXchange</p>	<p>\$44 per existing managed fund that is transferred out.</p>	<p>This is deducted from the CMA linked to your Account at the time your interests in the relevant managed funds are transferred out of uXchange.</p>
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Type of Fee or Cost	Amount (incl GST)	How and When Paid
<b>Service Fees</b>		
<p><b>Investment Switching Fee<sup>5</sup></b></p> <p>The fee for changing investment options</p>	<p>A switch results in an asset being bought and an asset being sold hence a transaction fee is applicable for the purchase and sell transactions (see above)</p>	<p>See Transaction Fee above</p>

1. No exit fee is payable, however any fees and costs accrued but not yet paid would be deducted from your linked CMA account or from your Account prior to the investments in your Account being transferred out. Also, transaction fees or expenses may be payable on the redemption of any assets.
2. See the “Additional Explanation of Fees and Costs” section for further details.
3. Refer to “Investment Fees” in the “Additional Explanation of Fees and Costs” section for more details.
4. See heading “Transaction Fees” in the “Additional Explanation of Fees and Costs” section for further details.
5. Transaction Fees may apply if you purchase and sell investments. See heading “Transaction Fees” for more details

## Additional Explanation of Fees and Costs

The total fees and charges you will pay will include the costs of investing through uXchange. It is important you understand there will be fees or costs relating to the investments you choose, and that those fees or costs are in addition to the fees charged by the Responsible Entity for uXchange.

Please refer to the Investment Menu where a link to the PDS of each Managed Fund is provided. The PDS of each Managed Fund will provide details about their fees and associated costs.

All fees and costs outlined in this section are inclusive of GST unless otherwise specified.



### Relationship Fee

A relationship fee is applied each year in circumstances where the total transaction fee processed during the year is below the minimum amount. The minimum annual relationship fee is applied to ensure the Administrator is able to recover some of the ongoing costs of administering uXchange.

Transaction fees are incurred at the date of each transaction and are included in the amount settled to/from your CMA.

Examples of how the minimum relationship fee is calculated are shown below.

#### Example 1

*The XYZ Superannuation Fund has invested in two Managed Funds during the year and has paid \$49.50 in transaction fees. See table following for how the transaction fees have been calculated.*

Date of investment	Amount Invested	Calculation	Transaction Fee
15 November	\$20,000.00	\$20,000 x 0.11%	\$22.00
6 March	\$25,000.00	\$25,000 x 0.11%	\$27.50
			<b>\$49.50</b>

*The annual relationship fee would be calculated as \$60.50 (\$110.00-\$49.50).*

#### Example 2

*The ABC Superannuation Fund has been an active member during the year applying to eight Managed Funds and has paid \$255.00 in transaction fees. No annual relationship fee is applicable as the total transactional fees paid in the year exceed the minimum fee.*

### Transaction Fees

Transactions on your Account attract a transaction fee. We add the transaction fee on to the amount we apply to settle an application (and therefore deduct the fee from your linked CMA) or deduct it from the redemption proceeds before the amount is credited to your CMA.

Note that the fee (and therefore cap) is calculated for each transaction not the aggregate transaction processed on any day.

Buy or Sell Order	Base Percentage	Fee Cost	per Transaction	Max Amount (per transaction)	Fee (per transaction)	uXchange Transaction Fee
\$1,000	0.11%	\$11.00		\$55.00		\$11.00
\$10,000	0.11%	\$11.00		\$55.00		\$11.00
\$20,000	0.11%	\$22.00		\$55.00		\$22.00

\$30,000	0.11%	\$33.00	\$55.00	\$33.00
\$40,000	0.11%	\$44.00	\$55.00	\$44.00
\$50,000	0.11%	\$55.00	\$55.00	\$55.00
\$60,000	0.11%	\$66.00	\$55.00	\$55.00
\$70,000	0.11%	\$77.00	\$55.00	\$55.00
\$80,000	0.11%	\$88.00	\$55.00	\$55.00
\$90,000	0.11%	\$99.00	\$55.00	\$55.00
\$100,000	0.11%	\$110.00	\$55.00	\$55.00

### Management Fees

Each Managed Fund you choose to invest in has an underlying cost structure. The Investment Menu provides some details of these fees and costs. You should read the Managed Fund's PDS to ascertain all the fees and costs for the selected Managed Fund.

Examples of how the Issuer of a Managed Fund calculates a Management Fee, which is reflected in the unit price of the fund, are provided below.

#### **Example 3**

*The XYZ Superannuation Fund has invested \$100,000 into Issuer's fund - Beta. The Management Fee is shown on the uXchange Investment Menu as 0.30% per annum. The annual Management Fee is paid to the Issuer and reflected in the Managed Fund's daily unit price (assuming no change in the value of the investment) would be \$300 ( $\$100,000 \times 0.30\%$ ).*

#### **Example 4**

*The ABC Superannuation Fund has invested \$100,000 into Issuer's fund - Alpha Plus. The Management Fee is shown on the uXchange Investment Menu as 4.00% per annum. The annual Management Fee paid to the Issuer and reflected in the Managed Fund's daily unit price (assuming no change in the value of the investment) would be \$4,000 ( $\$100,000 \times 4.00\%$ ).*

***Alongside the Management Fee, the Managed Fund will incur other costs and expenses that will also be included in the unit price.***

### Expense Recoveries

Under the Constitution, the Responsible Entity has a right to be reimbursed for all losses, damages and costs incurred in the course of its administration of uXchange. The Responsible Entity does not currently exercise its right to be reimbursed in relation to certain costs, such as legal

fees or custody fees, however, it does recover certain expenses on a user-pays basis – for example, any bank charges and government taxes such as stamp duty. Expenses related to in-specie transfers may also be recovered as outlined in the Fees & Costs table above.

### Maximum Fees or Waived Fees

The Constitution entitles the Responsible Entity to charge the following fees (exclusive of GST), which are waived by the Responsible Entity in whole or part under this PDS:

- **Member establishment fee** - a fee to establish a Member Account not exceeding \$100. This fee has been waived.
- **Management fee** - up to 2.0% per annum of the aggregate value of the assets in a Member's Account calculated on a daily basis. This fee has been waived.
- **Account keeping fee** - a fee to maintain a Member Account not exceeding \$500 per annum. This fee has been waived.
- **Transaction fee** - a fee for processing any transaction of financial products to a maximum amount equal to the greater of 1% of the transaction value or \$100. The Responsible Entity currently charges less than this amount. See Transaction Fees in the table in the Fees and Other Costs section.
- **Tax Processing fee** - a fee not exceeding \$100 per annum. This fee has been waived.
- **Relationship fee** - a fee not exceeding \$500 per annum. The Responsible Entity currently charges less than this amount. See Relationship Fees in the table in the Fees and Other Costs section.

### Variation of Fees

Under the Constitution, the Responsible Entity may waive, reduce or refund any part of the fees specified in this PDS. The Constitution sets out the limits for the fees that the Responsible Entity may charge and the method of recovery, the recurrence of the recovery and the timing of the recovery of the fees. If a change in fees results in an increase in fees or costs, then the Responsible Entity will give notice to Members 30 days before the change takes effect.

### Taxes

We may charge taxes to your Account. See the Taxation section for more details.

### Differential Fees

In accordance with the exemptions to section 601FC of the Corporations Act contained in the ASIC Corporations (Registered Schemes – Differential Fees) Instrument 2017/40, we may individually negotiate or rebate fees in some circumstances where we are permitted to do so under ASIC's policy or class orders from time to time. For example, we may negotiate with Members classed as "wholesale" or "professional" members.

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## Additional Information

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### Structure of uXchange

To operate uXchange, the Responsible Entity relies on ASIC Class Order 13/762 which provides relief from some of the fundraising and disclosure requirements of the Corporations Act as long as the Responsible Entity complies with certain conditions, such as the requirement to provide you with regular reports about your investment in uXchange.

An investment through uXchange is an investment in a registered managed investment scheme. You have rights and protections similar to members of other managed investment schemes. However, uXchange is different to a unit trust in that, instead of units, Members acquire an “interest” in uXchange when they invest, i.e., each Member has a separate Account to which their investments are allocated. We administer your Account only in accordance with your instructions.

Investments are held in the name of the Custodian; however, each Member is the beneficial owner of the assets, which appear in their Account. Each Member is fully responsible for any liabilities that arise in respect of their selected investment and in this way it is an ‘indirect investment’, similar to a custodial arrangement or service available through a wrap account or other member-directed portfolio service. An indirect member’s rights can be different to the rights of the member if they had invested directly.

### How Investing in uXchange differs to Investing Directly?

It is important to recognise that acquiring interests in a Managed Fund through uXchange is not identical to holding these investments in your own right.

The Responsible Entity is acting as trustee to you in regards to your investments which are held on trust for your benefit. You remain the beneficial owner of your investments, receiving all the benefits such as distributions and gains, and retaining all the liabilities such as any expenses associated with your investment.

The rights relating to the underlying investments are held and exercised by the Custodian under instruction by the Responsible Entity on your behalf, for example, the right to vote, receive income and to receive information and communications in relation to your underlying investments (see the Reporting section. ).

Some of the key differences between an Investment in uXchange and a direct investment are as follows.

Investing Through uXchange	Investing Directly
<p>You will receive comprehensive reporting on all investments in your Account in one communication</p>	<p>Your reporting would be on an investment-by-investment basis</p>
<p><b>Beneficial Ownership only</b></p> <p>The Custodian and the Responsible Entity (as applicable) hold title to the assets on your behalf (i.e., the legal title) while you retain the beneficial entitlement to the assets. The Administrator keeps a record of the assets held on your behalf. The Custodian as the registered holder of the assets may exercise the rights of a member or decline to exercise them in accordance with the terms of the custody agreement with the Responsible Entity, and the arrangements specified for the relevant investment.</p>	<p>You would be the legal and beneficial owner of your investments and acquire all rights attaching to ownership</p>
<p><b>No communications from managers of underlying investments</b></p> <p>As the legal title is not in your name, the communications relating to your underlying investments are received on your behalf by the Custodian and you do not normally receive communications such as annual reports, notices of meeting and investment policies. You can request a copy of these communications and, where possible, we will provide them to you directly or to your Adviser directly or through our website as soon as practicable.</p>	<p>You would receive regular communications relating to your assets, including annual reports, notices of meeting, and notifications of changes to fees and investment policies</p>
<p><b>Cooling-off rights</b></p> <p>You are able to request that we redeem your investment during the cooling off period, which is the period of 14 days from the earlier of the day you receive confirmation of your initial application, and the end of the fifth day after the day your first investment is made through uXchange. However, we will not have a right of cooling off in relation to the Managed Fund and as a result, any assets purchased will need to be transferred or sold down to allow the closing of the Account:</p>	<p>Cooling off rights are usually available to direct retail members during the cooling off period of 14 days, pursuant to section 1019B of the Corporations Act</p>

<p><b>Cooling-off rights (cont'd)</b></p> <p>while the Responsible Entity is bound to take all reasonable steps to realise your investment and return the proceeds to your CMA or transfer securities, if it reasonably considers that it would not be fair to all Members to do so then it is possible you may not be granted cooling off rights, and if your request is granted, then the money you receive back may be less than your Application Money as there may have been losses in the value of the investment on realisation relative to the purchase price, and there may be fees and costs that are entitled to be deducted.</p> <p>This is of particular importance for Managed Funds that have infrequent or restricted redemption windows. As a result, you should consider liquidity when determining whether to invest.</p>	
<p><b>Voting rights</b></p> <p>As the Custodian holds your assets you are not the registered holder, and are unable to participate in regular or ad hoc meetings (such as general meetings) nor do you have any voting rights.</p>	<p>Direct members have statutory rights in relation to meetings including the ability to exercise voting rights.</p>
<p><b>Redemption rights</b></p> <p>As the Custodian or the Responsible Entity (in some cases) is the registered holder of the underlying investments in uXchange, it is the direct member and holds all relevant withdrawal rights. If the issuer of an offer document through which you indirectly invest is found to be defective, then you do not have the choices that are open to direct members, as these are rights exercisable by the Custodian/Responsible Entity</p> <p>The Fund Manager may impose minimum withdrawal amounts in relation to a Managed Fund holding and the Administrator may be obliged to seek the redemption of the full amount of your investment and return the proceeds to you. This in turn may result in a longer processing time for the completion of the redemption.</p>	<p>Direct members are able to exercise the withdrawal rights relevant to the product. This includes the choices you are provided if an offer document is found to be defective, for example, under section 724 and section 1016E of the Corporations Act.</p>

## Constitution

The Constitution and the Corporations Act govern the rights of a Member.

The Constitution is the primary document governing the relationship between the Responsible Entity and Members and contains extensive provisions about the legal obligations, rights and powers of both the Members and the Responsible Entity. It provides that the assets of each Account are vested in, and held by, us or any Custodian we may appoint, on behalf of each Member for whom an Account has been established.

It includes broad powers for the Responsible Entity to carry out its duties and deal with the assets, including the right to fees and reimbursement of expenses, details about how it must comply with Account Instructions and in what circumstances it is not obliged to act.

The Constitution also details the Responsible Entity's entitlement to be indemnified out of your investments in uXchange for its fees and any losses or liabilities it incurs in the proper performing or exercise of any of its powers or duties as contemplated by this PDS, or in prosecuting or defending any action in respect of a provision of the Constitution.

The liability of the Responsible Entity is limited to the extent of the assets of uXchange (including the assets of a Member's Account), and the Responsible Entity will therefore not be personally liable to you for any losses or liabilities (including taxes) you may incur in relation to any action taken on your behalf (including, the holding of investments), except to the extent that those losses directly arise from the negligence, fraud or material default of the Responsible Entity. The Responsible Entity will not be liable to you for any loss of profit and any other indirect or consequential losses.

The absolute beneficial entitlement of Members to the assets in their Accounts is set out in the Constitution. The liability of Members is limited under the Constitution to the value of their investment. However, the question of limited liability for members of managed investment schemes has not been tested in a court of law.

All Members are bound by the Constitution, and any amendments. A special resolution of Members at a properly convened meeting is required to amend the Constitution, unless the change does not adversely affect the rights of Members. Upon request, you (or your Adviser) can obtain a copy of the Constitution.

## Compliance Plan

The Compliance Plan outlines the principles and procedures which the Responsible Entity will invoke to ensure that it complies in all respects with the provisions of the Corporations Act, ASIC policy, and the Constitution. The Compliance Plan deals with an extensive range of issues in relation to the operation of uXchange.

## Legal Title to the Assets

The Responsible Entity has appointed RBC Investor Services Trust ("Custodian", "RBC") to hold assets through uXchange. RBC will provide



custody services in relation to certain investments made through the Scheme and will hold legal title of those investments.

RBC holds these assets on behalf of the Responsible Entity and is responsible to the Responsible Entity under a contractual relationship.

Generally, it is expected that RBC will hold the assets of the Scheme.

## **Custodian of uXchange**

By completing the Application Form and investing through uXchange, each Member acknowledges the Custodian's role with respect to uXchange and the investments held through it and agrees that the Custodian's obligations are limited to the provision of the services to the Responsible Entity under its custody agreement with the Responsible Entity and that the Custodian's liability is limited to the Responsible Entity under the terms of its custody agreement with the Responsible Entity and the Custodian has no liability to Members.

The Custodian will accept instructions with respect to underlying investments from the Responsible Entity, and will not accept any instructions from Members.

Under the agreement with the Custodian, the Responsible Entity may instruct the Custodian to sign documents, make applications and redemptions in Managed Funds and make and receive payments in connection with the Managed Funds that the Custodian holds on behalf of the Responsible Entity.

The Custodian will segregate assets it holds on behalf of the Responsible Entity from the assets of the Custodian or its related entities. It is generally accepted that assets held by the Custodian pursuant to the agreement the Responsible Entity has with the Custodian will not form part of the Custodian's assets and therefore will not be available to the creditors of the Custodian or its related entities.

You acknowledge that the Responsible Entity may, at its absolute discretion, appoint alternative Custodians for uXchange.

## **Voting Policy**

Where the Responsible Entity receives notice of meetings or resolutions that relate to your investments, we do not proactively make this information available to you or your Adviser.

The Responsible Entity maintains a voting policy for uXchange under which it does not offer voting rights however, there are limited circumstances when we may:

- allow client instructions to be made via proxy in writing, and/or
- actively solicit your voting instruction.

These circumstances include:

- fulfilling our obligations under applicable law where the Members are 'key management personnel' as defined by the Corporations Act



- where there are Members who hold a material interest in the investment that could reasonably be expected to impact the outcome of a resolution.

Where such matters are brought to our attention:

- We will endeavour to provide you with the material that would have been sent to you if you were a direct member;
- We will not permit you to act as a corporate representative on behalf of the Custodian. Instead we will accept your written voting instructions so that the Custodian can endeavour to lodge the instructions via proxy;
- We may require confirmation in writing from the relevant company secretary or other representative to confirm your eligibility to participate in some or all of the resolutions. Where this confirmation is sought, we will not pass on your instructions until this has been provided;
- The Administrator and the Responsible Entity do not accept any liability for acting on your instructions (including where such an instruction may contravene the law or any regulation);
- Any instruction to vote must be received at least three Business Days prior to the registry cut-off time; and
- A standing instruction for future resolutions cannot be provided; we must receive a direction for each voting opportunity as it arises.

The Custodian generally does not vote on company or scheme resolutions and other corporate actions.

A copy of the Responsible Entity's voting policy is available free of charge on request.

## **How the Responsible Entity Selects Investments for the Investment Menu**

The Investment Menu is subject to an ongoing review process and a Managed Fund will only be added or removed from it in accordance with the process outlined below.

The Administrator (through its Investment Committee) will regularly review the Investment Menu using the criteria set out below and advise the Responsible Entity if it recommends the addition or removal of a Managed Fund. Such recommendations will be considered by the Responsible Entity and, if approved, will be implemented as soon as practicable.

The Responsible Entity has a conflicts management framework which will be taken into consideration when reviewing and approving Managed Funds.

### **Selection and review criteria**

The Responsible Entity's criteria for the selection and ongoing review of Managed Fund investments include the following:

- The Managed Fund has been proposed by an Adviser; and
- The Managed Fund has an APIR code; and
- The pricing and distribution data for the Managed Fund are readily available from the contracted data provider; and
- The Managed Fund has a minimum net asset value of \$25 million; and
- The Managed Fund has a Morningstar Rating of at least 3 stars or,
- where the Managed Fund has not been rated by Morningstar or has a rating below 3 stars:
  - The Managed Fund has a satisfactory rating from another retail or wholesale research house like Lonsec, Zenith or Mercer; or
  - Research undertaken by the Adviser to add the Managed Fund is supported by analysis from the Administrator's Investment Committee.

### **Removal of a Managed Fund**

Where, as the result of a review of the Investment Menu, the Responsible Entity decides that it is appropriate to close an investment option to new investments the Responsible Entity will communicate this by updating the Investment Menu on [www.uxchange.com.au](http://www.uxchange.com.au) and notifying investors holding an interest in the relevant Managed Fund of this change.

### **Other important information**

In adding or removing a Managed Fund to or from the Investment Menu, we do not take any liability for any movement in asset price or costs as they relate to delays in admitting or removing the investment nor do we make any representations as to the suitability of the investment either generally or for your personal circumstances.

### **Complaints handling Policy**

You have a right to complain if you are not satisfied with the performance of the Responsible Entity. The Responsible Entity takes all complaints seriously and will provide you with a copy of the complaints handling policy on request and at no charge.

The Responsible Entity is committed to properly considering and resolving all complaints. If you have a complaint please contact us on:

Phone: 1300 133 472

Post: Equity Trustees Limited, GPO Box 2307, Melbourne VIC 3001

Email: [compliance@eqt.com.au](mailto:compliance@eqt.com.au)

The Responsible Entity will acknowledge receipt of the complaint as soon as possible and in any case within 3 days of receiving the complaint. The Responsible Entity will seek to resolve your complaint as soon as practicable but not longer than 45 days after receiving the complaint.

If you are not satisfied with our response to your complaint, you may be able to lodge a complaint with the Australian Financial Complaints Authority ("AFCA").

Contact details are:

Online: [www.afca.org.au](http://www.afca.org.au)

Phone: 1800 931 678

Email: [info@afca.org.au](mailto:info@afca.org.au)

Post: GPO Box 3, Melbourne VIC 3001.

The external dispute resolution body is established to assist you in resolving your complaint where you have been unable to do so with us. However, it's important that you contact us first.

If a Member has a complaint about a Managed Fund then the Member should direct their complaint to the Issuer of that fund in accordance with the relevant PDS,

If a Member has a complaint about financial product advice using platforms and investments acquired through them, investors should approach the AFS licensee for whom the relevant Adviser acts.

If a Member notifies the Responsible Entity that it has a complaint in relation to a Managed Fund then the Responsible Entity will take reasonable steps to facilitate resolution of the dispute between the Member and the Issuer, including informing the Member whether the Issuer has an internal dispute resolution system that is available to the Member.

If you have any questions regarding the management of the Scheme you can also contact your Adviser.

## Members without an Adviser policy

A Member is unable to hold an account in uXchange without an Adviser. In circumstances where you no longer have an Adviser you have 90 days to appoint a new Adviser. Alternatively, you can provide redemption instructions.

In circumstances where we receive no advice we will redeem your investments and transfer the proceeds to your linked CMA.

A copy of the Responsible Entity's 'members without an adviser' policy is available free of charge on request.

## Privacy

The Responsible Entity and Administrator abide by the Privacy Act 1988 (Privacy Act) and comply with the Australian Privacy Principles established under the Privacy Amendment (Enhancing Privacy Protection) Act 2012. A summary of the Australian Privacy Principles is available at [www.oaic.gov.au](http://www.oaic.gov.au).

If you complete an Application Form you will be providing personal information to the Responsible Entity and Administrator for uXchange. The personal information is collected by the Responsible Entity and Administrator and may be disclosed to our Custodian, to the systems and software providers, any Banks or Brokers it might use, and any other party the Responsible Entity believes necessary to facilitate the operation and maintenance of your Account.

The Responsible Entity and Administrator may hold and use that personal information only in order to:

- assess your Application;
- service your needs as a Member;
- provide facilities and services that you request;
- carry out the appropriate administrative services for uXchange; and
- comply with any laws which the Responsible Entity is required to comply with.

If you have notified us that you have an Adviser, either on the Application Form or in writing then you acknowledge that details of your investment will be provided to them. This will continue until you notify the Administrator otherwise in writing.

The Responsible Entity and Administrator may provide your personal information to related entities. We may also use the personal information collected from Members for the purpose of providing direct marketing material that we believe may be of interest to you. We will stop providing this information if you request us to do so.

You may request access to the information held by the Responsible Entity by contacting Equity Trustees' Privacy Officer as follows:

Email: [privacy@eqt.com.au](mailto:privacy@eqt.com.au)

Telephone: +61 3 8623 5000

A copy of the Responsible Entity's Privacy Policy is available at [www.eqt.com.au](http://www.eqt.com.au).

## Consents of Named Parties

Where required by the law, each of the parties named in this PDS has given its consent to be named in this PDS in the form and context in which it is named. Each of the parties has not caused the issue of this PDS and does not make, nor purport to make, any statement in this PDS. Each of the parties has not, before the issue of this PDS, withdrawn its consent to be named. Each of the parties expressly disclaims and takes no responsibility for any part of this PDS other than the reference to its name.

## Related Parties

The Responsible Entity has a policy for managing conflicts of interest and related party transactions. All transactions entered into by the Responsible Entity with related parties are conducted at arm's length, meaning that they are entered into on comparable terms to arrangements that would be made with unrelated third parties.

## Labour Standards or environmental, Social or Ethical Factors

Neither the Responsible Entity nor the Administrator take labour standards or environmental, social or ethical considerations into account in the selection, retention or realisation of Managed Funds. However, where those factors negatively impact the investment performance or company stability, the Responsible Entity or the Administrator will generally discuss these matters with company management and/or review the decision to hold the specific investment. No specific methodology is used for such reviews nor are there pre-determined views about the extent to which such factors will be taken into account in a review.

## Continuous Disclosing Entity

The Scheme is not currently a disclosing entity as defined by the Corporations Act.

If the Scheme becomes a disclosing entity as defined by the Corporations Act, the Scheme will be subject to regular reporting and disclosure obligations under the Corporations Act. Copies of documents lodged with ASIC in relation to the Scheme may be obtained from, or inspected at, an ASIC office and you can obtain a copy of the following documents free of charge on request:

- the most recent annual financial report lodged with ASIC;
- any half yearly financial report with ASIC after the lodgment of that annual financial report but before the date of this PDS; and

- any continuous disclosure notices lodged with ASIC after that financial report but before the date of this PDS.

These documents can also be obtained from or inspected at an ASIC office.

### **Anti-Money Laundering Compliance**

In accordance with the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (“AML/CTF”), we are required to identify and verify your identity prior to accepting an Application from you. Your Adviser, under the Agreement they have entered into with the Administrator and Responsible Entity, will be required to perform the initial identification protocols. Your Adviser will be requested to collect the verification materials we require. Note that we may also request additional information from time to time, if we consider it is appropriate to do so.

When you apply to invest, you authorise the Responsible Entity to provide any necessary documentation required under the AML legislation to regulatory parties.

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## Authorisations

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### Investment Authority to Responsible Entity

By becoming a Member in uXchange you are deemed to be authorising us to make investments on your behalf in accordance with the Account Instruction(s) that your Adviser provides. Under this authority, we will invest by purchasing or redeeming investments according to your instructions.

We will accept instructions to change the composition of your Account from your Adviser on your behalf and will act on these instructions subject to the discretions in the Constitution and described in this PDS. By investing in uXchange, you are providing the Administrator with a standing authorisation to pay funds into and withdraw funds from your linked CMA and your Account in accordance with Account Instructions from your Adviser and also to make payments for settlement of trades and related fees. This authorisation continues until the termination of your account from uXchange.

### Online Terms and Conditions

Should you be granted access to online account access, we will not generally be liable for any loss incurred by you if your access password is used by someone without your authority, except to the extent that such liability is attributable to our own negligence. However, you need to be aware that, when accessing your Account by entering your password, you discharge, release and agree to indemnify us from and against all proceedings, actions, liabilities and claims arising out of the use of your password. Members should take care to store their password separately from their Account records.

Your online access will show the date and details of each transaction made for your Account, including the amount paid for the assets and any associated fees, costs and charges that have been deducted from your Account. Portfolio values are current as at the end of the previous Business Day last available redemption price, allowing you and your Adviser to more accurately manage your portfolio. Please note that all positions may at times be subject to delay.

Where a delay in the provision of Managed Fund valuations occurs, the Responsible Entity will display the latest available valuation within 24 hours of the valuation being provided. Where the cause of this is due to technology disruptions, the Responsible Entity will make the information available on a substantially continuous basis.

### Instructions

Members should note that there is a risk persons with access to your Account details may provide us with fraudulent or other unauthorised instructions. Therefore, you agree to indemnify and release the Responsible Entity from all potential actions and liabilities arising from the

Responsible Entity acting on what appeared to be genuine instructions from your Adviser on your behalf.

### **Appointment of an Adviser**

When you apply to uXchange you appoint a financial adviser who can provide instructions to us on your behalf. Your Adviser must also be party to a signed Agreement with the Administrator. The appointment of your Adviser is subject to the following terms and conditions. Your Adviser will be permitted to:

- Submit Applications on your behalf;
- Transmit your requests relating to your Account and all investments of your Account including (without limitation), making additional applications or redemptions from your Account, changing your Account details, or selecting and changing investments; ;
- Obtain information regarding the assets that make up your Account and make enquiries about your investment strategy; and
- Transmit your requests to the Responsible Entity on your behalf in relation to the transactions listed above and any incidental transactions.

If we receive directions or an enquiry from a person who we reasonably believe is your Adviser, then we will act on such directions and enquiries as if they were your personal acts. Until we receive a written cancellation of the appointment, we will continue to act on any instructions from your Adviser. We reserve the right to cancel or vary the terms on which you have authorised us to accept instructions from your Adviser upon providing you with 14 days' notice. Where your Adviser is a company or partnership, all actions taken by any director, partner, or authorised officer of the Adviser is deemed to be an act of the Adviser.

Your Adviser is not permitted to change the nominated linked CMA bank account.

The Responsible Entity is not responsible for and does not provide personal advice in relation to your investments. The Responsible Entity and its successors and assigns disclaim any liability for direct or consequential loss, damage or injury arising from your appointment of an Adviser. You agree that the Responsible Entity is not responsible for acts, matters and things done or purported to be done by your Adviser even if not authorised by you, provided we have no reasonable reason to believe that they are not your Adviser. Neither you nor any person making a claim on your behalf will have any right or claim against the Responsible Entity, our related bodies corporate successors, and assigns regarding any matter, act, or thing done or purported to be done by your Adviser. Any payment made, requested or received by your Adviser shall constitute a release of the Responsible Entity's obligations.



## Defined Terms

*“An explanation of the terms used in this PDS are provided in this section of the PDS.”*

Term	Definition
<b>ABN</b>	Australian Business Number.
<b>Account</b>	Each Member's Account including all assets and liabilities (if applicable).
<b>Account Instruction</b>	The instructions from your Adviser on your behalf regarding your Account.
<b>Administrator</b>	The administrator of uXchange is uXchange Pty Ltd ABN 39 610 852 536 a corporate authorised representative of Wealth02 Services Pty Ltd AFSL 500032
<b>Adviser</b>	Means an authorised representative of an Australian Financial Services Licensee who has been appointed by a Member to manage their assets or provide investment advice and who is registered to distribute uXchange.
<b>AML/CTF</b>	Means anti-money laundering and counter- terrorism financing.
<b>Application</b>	The Application for an Account in uXchange.
<b>Application Money</b>	The money initially taken from the linked CMA for the settlement of the purchase order or non-cash assets transferred in connection with the offer pursuant to this PDS and the Constitution.
<b>ASIC</b>	Australian Securities and Investments Commission
<b>ASIC CO 13/762</b>	ASIC Class Order 13/762 for IDPS-Like services provided through a registered managed investment scheme and any supplementary and amending instrument which varies, supplements or replaces it.
<b>ASX</b>	Australian Securities Exchange.
<b>Basis Point</b>	Refers to a common unit of measure for interest rates and other percentages in finance. One basis point is equal to 1/100th of 1%, or 0.01% (0.0001).
<b>Broker</b>	Means a market participant
<b>Business Day</b>	A day on which banks are open for business in Sydney other than a Saturday, Sunday or public holiday, or if the Administrator of the Scheme primarily performs its administrative functions in respect of the Scheme in a city

	other than Sydney, the city in which the Administrator performs such functions.
<b>Cash Management Account (CMA)</b>	Means the linked CMA with a bank nominated by the Administrator. This account will be used for the application and redemption of the managed funds and the receipt of associated distributions and payments of fees
<b>CGT</b>	Capital Gains Tax
<b>Compliance Plan</b>	The Compliance Plan that provides the framework for monitoring the operation of the Scheme, as amended from time to time.
<b>Constitution</b>	The Constitution of the Scheme as amended from time to time.
<b>Corporations Act</b>	Corporations Act 2001 (Cth) and the associated regulations, as amended from time to time.
<b>Custodian</b>	RBC Investor Services Trust
<b>Eligibility Criteria</b>	The criteria applied to prospective Members before they may invest in uXchange
<b>Fund Managers</b>	The responsible entities of the Managed Funds.
<b>GST</b>	Australian Goods and Services Tax pursuant to the A New Tax System (Goods and Services) Tax Act 1999.
<b>In-specie Transfer</b>	A transfer of securities where there is no change in the beneficial ownership of the securities.
<b>Investment Committee</b>	The committee convened by the Administrator to recommend appropriate Managed Funds for inclusion on the Investment Menu.
<b>Investment Menu</b>	The investment menu located on the uXchange Portal which contains the full list of investment options for investment. The Investment Menu forms part of this PDS and may be updated from time to time at the Responsible Entity's discretion. You can receive a hard copy free of charge upon request
<b>Issuer</b>	In this PDS it means the Issuer of a Managed Fund included on the Investment Menu of uXchange.
<b>Managed Funds</b>	Registered managed investment schemes in which you may invest via uXchange. Details of Managed Funds available through uXchange can be found in the Investment Menu, with a copy of their PDS. You should read the PDS for each Managed Fund before investing via your Account in a Managed Fund.

<b>Management Fees</b>	The fee levied by the Issuer of the Managed Funds for managing the assets and overseeing the operations of the Managed Fund
<b>Member</b>	A Member in uXchange, referred to as “you” or “your”.
<b>Operator</b>	The operator of uXchange is Equity Trustees Limited ABN 46 004 031 298 AFSL No 240975. Equity Trustees is responsible for the operation of the Scheme
<b>PDS</b>	Either this product disclosure statement or an Issuer’s product disclosure statement as the context requires, and including any supplementary product disclosure statement or other updates from time to time,
<b>Responsible Entity</b>	Equity Trustees Limited ABN 46 004 031 298 AFSL No 240975
<b>Scheme</b>	uXchange ARSN 618 455 673
<b>Sponsor</b>	The sponsor of uXchange is uXchange Pty Ltd ABN 39 610 852 536, a corporate authorised representative of Wealth02 Services Pty Ltd AFSL 500032  The Sponsor markets uXchange to financial advisers and their clients.
<b>Standard Transfer Form</b>	A form provided by the Administrator to allow the Member to transfer investments held in their own name to uXchange in order to become a Member
<b>US Person</b>	A person so classified under securities or tax law in the United States of America (“US”) including, in broad terms, the following persons:  (a) any citizen of, or natural person resident in, the US, its territories or possessions; or  (b) any corporation or partnership organised or incorporated under any laws of or in the US or of any other jurisdiction if formed by a US Person (other than by accredited investors who are not natural persons, estates or trusts) principally for the purpose of investing in securities not registered under the US Securities Act of 1933; or  (c) any agency or branch of a foreign entity located in the US; or  (d) a pension plan primarily for US employees of a US Person; or  (e) a US collective investment vehicle unless not offered to US Persons; or  (f) any estate of which an executor or administrator is a US Person (unless an executor or administrator of the estate who is not a US Person has sole or substantial investment discretion over the assets of the estate and

	<p>such estate is governed by non-US law) and all the estate income is non-US income not liable to US income tax; or</p> <p>(g) any trust of which any trustee is a US Person (unless a trustee who is a professional fiduciary is a US Person and a trustee who is not a US Person has sole or substantial investment discretion over the assets of the trust and no beneficiary (or settlor, if the trust is revocable) of the trust is a US Person); or</p> <p>(h) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US Person; or</p> <p>(i) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated or (if an individual) resident in the US for the benefit or account of a US Person.</p>
<b>uXchange Portal</b>	A secure internet website where a person can view their Account details, receive reports and view updated information about uXchange. Information is generally correct as at the close of the previous Business Day.

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# Corporate Directory

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## Responsible Entity

Equity Trustees Limited  
ABN 46 004 031 298 AFSL No 240975

Address                      Level 1  
   575 Bourke Street  
   Melbourne  
   VIC 3000

Phone                              (03) 8623 5000

Website                            [www.eqt.com.au](http://www.eqt.com.au)

**Administrator**

uXchange Pty Ltd  
ABN 39 610 852 536

Address	Level 7 157 Walker Street North Sydney NSW 2060
Phone	1300 726 008
Website	<a href="http://www.uxchange.com.au">www.uxchange.com.au</a>
Email	<a href="mailto:enquiries@uxchange.com.au">enquiries@uxchange.com.au</a>