

# Cor Capital

## Product Disclosure Statement

# Cor Capital Fund

ARSN 609 666 042  
APIR Code: COR0001AU

Dated 1 December 2017

## Contents

1. About the Responsible Entity .....	2
2. How the Fund works.....	2
3. Benefits of investing in the Fund .....	2
4. Risks of managed investment schemes .....	3
5. How we invest your money.....	4
6. Fees and costs*.....	6
7. Tax .....	7
8. How to apply*.....	8
9. Additional Information* .....	8

## Investing in this fund

Established in 2012, the Fund seeks to generate stable absolute returns over the medium term.

The Investment Manager maintains and manages a multi-asset, multi-strategy portfolio that it considers should perform well across a broad range of economic and market outcomes.

The performance objective of the Fund is to maximise the total return (income plus growth) above consumer price inflation (change in CPI) over rolling 3 year periods without generating a negative return over any 12 month period.

## This document

This is the Product Disclosure Statement (PDS) for the Cor Capital Fund (the Fund). This PDS is an important document and it is a condition of investing that you have read it carefully in its entirety. This PDS has been prepared and issued by OneVue RE Services Limited ABN 94 101 103 011 AFSL 223271 in its capacity as the responsible entity of the Fund (Responsible Entity, OneVue, us or we).

## The Fund

The Fund is an Australian resident open-ended unit trust operated as a registered managed investment scheme. The Fund is registered by the Australian Securities & Investments Commission (ASIC). ASIC takes no responsibility for the contents of this PDS.

## Who is involved

OneVue is the Responsible Entity of the Fund and issuer of this PDS.

Cor Capital Pty Ltd ABN 37 155 801 817 AFSL 419 924 (**Cor Capital** or **Investment Manager**) is the investment manager appointed by us for the Fund.

OneVue Fund Services Pty Limited ABN 18 107 333 308 (**OneVue Fund Services** or **Registry**) is appointed by us as the provider of registry and administration services for the Fund.

## Seek advice

This PDS has been prepared for your general information only. It is not a recommendation by the Responsible Entity or Investment Manager, or any employee, officer, agent, contractor or associate, of either of them, to invest in the Fund. Nor does it take into account the investment objectives, financial situation or needs of any particular investor.

## Risks of investing

You should consider the suitability of the Fund in view of your personal financial and taxation circumstances, investment

objectives and needs. You are strongly encouraged to seek professional advice tailored to your personal circumstances before making any investment decisions.

Investing involves risk, including possible delays in repayment and loss of income or capital invested. This is a medium risk investment.

Neither the Responsible Entity nor the Investment Manager, and none of their employees, officers, agents, contractors or associates, guarantee the success, repayment of capital or any rate of return on income or capital or the investment performance of the Fund. No representation is made with respect to the taxation consequences of an investment in the Fund. Neither returns nor the money you invest in the Fund is guaranteed. You can lose as well as make money.

Investors should consider the risk factors that could affect the financial performance of the Fund. The significant risk factors are summarised in this PDS.

Neither we nor the Investment Manager promise that the ways in which risks are aimed to be managed will always be successful.

An investment in the Fund does not represent a deposit with or a liability of the Responsible Entity or the Investment Manager or any of their employees, officers, agents, contractors or associates.

## Past returns and forward looking statements

Past matters including past performance is not a reliable indicator of what may happen in the future.

Any forward looking statements included in this PDS involve subjective judgment and are subject to significant uncertainties, many of which are outside the control of, or are unknown to, the Responsible Entity and the Investment Manager as well as their employees, officers, agents, contractors and associates. Actual future events may vary materially from the forward looking statements, and the assumptions on which those statements are based may fail.

## Important legal matters

The offer made in this PDS is only available to persons receiving this PDS in Australia (electronically or otherwise). If you received this PDS electronically, a paper copy will be provided free upon request during the life of this PDS. This PDS is not an offer to issue, or a solicitation of an offer to issue, any units in any jurisdiction in which it is unlawful to make such an offer or solicitation or to any person to whom it is unlawful to make such an offer or solicitation.

Unless otherwise stated, all figures in this PDS are inclusive of Goods and Services Tax (GST) after allowing for an estimate for Reduced Input Tax Credits (RITCs), and unless stated otherwise all amounts are in Australian dollars.

The information in this PDS is subject to change from time to time. If a change is not of such a nature that you would be materially adversely affected by not receiving notice of it, the PDS may be updated by notice at [www.onevue.com.au](http://www.onevue.com.au) and you can request a paper copy free of charge from us or your financial adviser. Otherwise, this PDS will be replaced or a supplementary PDS issued.

Neither the Responsible Entity nor the Investment Manager, and none of their employees, officers, agents, contractors or associates is responsible for any mis-delivery or non-receipt of any facsimile or email from or on behalf of any investor. Facsimiles or emails sent by or for investors are only effective when actually received.

Your investment in the Fund is governed by the terms and conditions described in the PDS as well as the constitution for the Fund (the **Constitution**), as those documents are supplemented, replaced or re-issued from time to time. Copies of those documents are available free from us on request.

## Indirect investors

You may gain investment exposure to the Fund by investing 'indirectly' through an administration platform (known commonly as an IDPS, IDPS-like scheme, master trust, wrap account or managed discretionary account). In this PDS, we call them **Administration Platforms** and persons who invest like this we call **indirect investors**.

We authorise the use of this PDS by operators of Administration Platforms.

Indirect investors do not acquire the rights of an investor in the Fund, and their rights and liabilities will be governed by the terms of

the disclosure documents for the relevant Administration Platform. The operator of the Administration Platform is the investor and acquires these rights and can exercise, or decline to exercise, their rights according to the arrangements indirect investors have with them.

Indirect investors complete the application form for the Administration Platform. They do not receive confirmation of transactions, statements or reports directly from us, as these are provided to the operator of the Administration Platform. Indirect investors also forgo voting rights and generally do not receive notice of, or be able to attend, investor meetings. The tax information in this PDS does not specifically cater for indirect investors.

The disclosure documents for the Administration Platform should have further details. You should read these carefully and contact the operator of that service if you have any questions.

Neither the Responsible Entity nor the Investment Manager, and none of their employees, officers, agents, contractors or associates, is responsible for the operation of any Administration Platform.

## Information Booklet

This PDS is a summary of significant information and contains several references, marked with an asterisk (\*), to important additional information contained in the Information Booklet which forms part of this PDS, available free from us on request.

You should read all of that information before making any decision about the Fund.

## 1. ABOUT THE RESPONSIBLE ENTITY

### The responsible entity

Founded in December 2002, OneVue is a professional responsible entity, a wholly owned subsidiary of OneVue Holdings Limited ABN 15 108 221 870 (OneVue Holdings), an ASX listed company (ASX code OVH) which provides services to participants in the wealth management industry with a focus on the superannuation and investment management sectors.

As the Responsible Entity of the Fund and issuer of this PDS, OneVue is responsible for the operation of the Fund in accordance with the Fund's Constitution, the Corporations Act and trust law.

More information about the OneVue group can be found at [www.onevue.com.au](http://www.onevue.com.au).

### The Investment manager

Cor Capital Pty Ltd (**Cor Capital** or **Investment Manager**) is the investment manager appointed by us for the Fund.

Cor Capital is an investment management firm that specialises in generating liability-free absolute returns as a means to creating real wealth regardless of the prevailing economic or financial market environment.

Cor Capital was established in 2012 by Davin Hood to focus solely on the management of the Cor Capital Fund.

OneVue reviews the Investment Manager on an ongoing basis to ensure that it is managing the Fund in accordance with the Investment Management Agreement it holds with Cor Capital.

More information about Cor Capital can be found at [www.corcapital.com.au](http://www.corcapital.com.au).

### The Investment team

#### Davin Hood

Davin founded Cor Capital in 2012 and is a Portfolio Manager for the Cor Capital Fund. He has overall responsibility for the investment strategy and its implementation.

Prior to Cor Capital Davin served as a Director in the Wealth Management division of UBS Australia (2006-2011).

Davin has 22 years' experience in stockbroking (UBS and Citigroup) and funds management (Merlyn Asset Management).

Davin has undergraduate and post-graduate qualifications in finance and is a Fellow of the Financial Services Institute of Australasia.

#### Tom Rachcoff

Tom joined Cor Capital in 2012 and is a Portfolio Manager for the Cor Capital Fund. He was previously a Managing Director and Asia Pacific Head of Credit Suisse HOLT (2001-2010).

Prior to joining Credit Suisse, Tom was Managing Director of HOLT Value Associates Global Securities. He also held a variety of positions over 13 years at Merrill Lynch.

Tom holds a bachelor's degree in economics and finance.

## 2. HOW THE FUND WORKS

### A managed fund

The Fund is a managed investment scheme (or trust). When you invest your money in the Fund, it is pooled together with other investors' money. This larger pool of money is used to buy investments on behalf of all investors.

The Fund is a unit trust. An investor's interest in the Fund is represented by a number of units, each class of which has identical rights (such as a right to certain fees and to vote) and a value which will vary as the market value of assets in the Fund rises and falls. As a unit holder, each investor also has certain obligations to us. Investors have no direct interest in the assets of the Fund.

You can increase your investment by applying and paying for more units, and the number of units issued depends on the amount you invest and the unit price at the relevant time. You can decrease your investment by withdrawing (or redeeming), and the number of units redeemed depends on the amount you withdraw and the unit price at the relevant time.

We aim to pay distributions semi-annually, at 30 June and 31 December. Distributions are based on the number of units you hold.

### The price of units

Ask your professional adviser or the operator of your Administration Platform, or visit our website, for the latest prices. Remember that quoted unit prices will be historical and not necessarily the price you will receive when applying or withdrawing.

Unit prices will vary as the market value of the assets of the Fund fluctuate. The unit prices for issuing and withdrawing are slightly different: this difference is called the "spread" and Section 6 of this PDS gives more detail.

Unit prices are calculated in 3 steps:

- the value of the assets of the Fund is calculated, and value of the liabilities subtracted - this gives the "net asset value",
- this is divided by the number of units on issue, and
- adjustment is generally made for transaction costs (or spread).

We have a policy that sets out the guidelines and relevant factors and discretions for calculating unit prices. A copy (and records of any departures from the policy) is available free from us on request.

## 3. BENEFITS OF INVESTING IN THE FUND

SIGNIFICANT FEATURES	
Style	Absolute return fund
Investment strategy	Factor-based asset allocation with active derivatives overlay
Investment objective	To maximise the total return (income plus growth) above inflation over rolling 3 year periods without generating a negative return over any 12 month period
Investment exposure	Equities, fixed interest, precious metals and cash
Geographical exposure	Predominantly Australian markets but investments may be exposed to other currencies, economies or markets
Borrowing	Only in limited circumstances

<b>Derivatives</b>	The Fund can use derivatives to both manage risk and gain exposure to investments where the Investment Manager considers this prudent and worthwhile
<b>Risk</b>	Medium
<b>Suitable for</b>	Investors who have a medium risk tolerance who seek stable positive returns over the medium term, regardless of prevailing economic or financial market conditions
<b>Investment timeframe</b>	Suggested minimum 3 years
<b>Applications</b>	Accepted each Melbourne business day
<b>Minimum initial investment</b>	\$25,000
<b>Minimum additional investment</b>	\$5,000
<b>Withdrawals</b>	Accepted each Melbourne business day, and generally processed within 5 business days of receipt of a completed withdrawal request, although there can be delays
<b>Minimum withdrawal</b>	There is no minimum withdrawal amount
<b>Minimum account balance</b>	\$20,000
<b>Income/distributions</b>	We aim to pay distributions semi-annually, at 30 June and 31 December
<b>Cooling off</b>	Yes, available
<b>Available through Administration Platforms?</b>	Check with your operator
<b>Entry fees</b>	nil
<b>Management fees</b>	1.025% pa of the value of your investment including net GST
<b>Performance fees</b>	nil
<b>Withdrawal fees</b>	nil
<b>Expenses</b>	0.35% estimate including net GST
<b>Unit Price Spread</b>	+0.15% / -0.15%

## 4. RISKS OF MANAGED INVESTMENT SCHEMES

### Risk is a part of investing

All investments are subject to varying risks, and the value of your investment will rise and fall over time. Different investment strategies may carry different levels of risk, depending on the assets that make up the strategy. Changes in value can be significant and they can happen quickly – the greater and faster the changes the greater the volatility. Volatility refers to the degree to which returns may fluctuate around their long term average.

As a general rule, the higher the potential returns, the higher the level of risk.

Different strategies and types of investments have different risk characteristics which will affect investment performance. Assets with the highest long-term returns may also carry the highest level of short-term risk.

Investment in the Fund is subject to risks, including possible delays in the payment of withdrawal proceeds, and loss of income and/or capital.

As risk cannot be entirely avoided when investing, the philosophy employed for the Fund is to identify and manage risk as far as is practicable. Neither we nor the Investment Manager can promise that the ways in which risks are aimed to be managed will always be successful.

Neither returns nor the money you invest in the Fund is guaranteed. The significant risks of the Fund include the following:

### Investment risk

This is the risk that the value of an investment may change or become more volatile, potentially causing a reduction in the value of the Fund and increasing its volatility. This may be because, amongst many other things, there are changes in government policies, the Investment Manager's or underlying funds' operations or management, the business environment or in perceptions of the risk of an investment. Various risks may lead to the issuer of an investment defaulting on its obligations and reducing the value of the investment to which the Fund has an exposure.

### Market risk

This is the risk that an entire market, country or economy changes in value or becomes more volatile, including the risk that the country's credit rating is downgraded, which reduces the nation's perceived creditworthiness, the purchasing power of currency changes (either through inflation or deflation), and/or other market-wide factors, like economic growth or the unemployment rate, deteriorate, which can cause a reduction in the value of the Fund and increase its volatility. This may be because, amongst many other things, there are adverse changes in economic, financial, technological, political or legal conditions, natural and man-made disasters, conflicts and shifts in market sentiment.

### International risk

Investing internationally in one of the major asset categories will include all the risks associated with that asset class, but will also include risks not associated with holding Australian investments such as currency risk. For example, international investments may be more affected by political and economic uncertainties, lower regulatory supervision, movements in currency and interest rates and possibly more volatile, less liquid markets.

The Fund may be exposed to some emerging and developing economies. These markets are generally less sophisticated with poorer reporting, governance and regulatory frameworks, and greater political, legal and other risks.

### Currency

An investment in global markets gives rise to foreign currency exposure. The value of investments will vary depending on changes to the exchange rate. The Fund does not seek to hedge (or manage) currency risk. Some underlying funds may seek to hedge currency risk but this is not always practicable or successful. Changes in currency values can impact on the value of the Fund's investments.

### Interest rate risk

This is the risk that changes in interest rates can have a negative impact on certain investment values or returns. Reasons for interest rates changes are many and include variations in inflation, economic activity and Reserve Bank of Australia (RBA) policies. The Fund does not seek to hedge (or manage) interest rate risk. Some underlying funds may seek to hedge interest rate risk but this is not always practicable or successful. Changes in interest rates can impact on the value of the Fund's investments.

### Portfolio risk

Investments in any of the available asset classes could be relatively concentrated: there are no minimum or maximum number of investments.

The Fund could be relatively concentrated: there are no geographical or market sector limits or targets.

### Valuation risk

The quoted value of the Fund's investments may not accurately reflect the value of those investments if they are sold. The Fund seeks to reduce this risk by seeking that all the assets of the Fund are valued independently on a daily basis and wherever possible using market prices.

### Precious metals risk

The prices of precious metals fluctuate constantly, and changes can be large and happen quickly.

The prices of precious metals may be significantly affected by factors including supply and demand, developments in the precious metals mining industry, precious metals retention or sales by governments, central banks and international institutions, investment speculation, hedging activity by producers, currency exchange rates, inflation, interest rates and monetary, economic and other policies of various governments.

Precious metal prices are susceptible to political, economic and environmental developments in countries where it is produced and also broader regional and global developments.

Commodities like precious metals can be influenced by co-operative or co-ordinated actions, by producers or sovereign nations.

Governments can exercise substantial influence including changing laws, implementing policies of expropriation, confiscatory taxation, nationalisation, intervention in the market, and imposing foreign investment and exchange controls.

Natural disasters such as earthquakes, droughts and floods and social factors such as strikes, civil unrest and wars can have a significant impact on prices.

Precious metals generate no interest or dividends, and the return from investments in precious metals will be derived solely from the gains and losses realised when sold.

## Derivatives risk

The Fund as well as any underlying fund managers can use derivatives to both manage risk and gain exposure to investments. Derivatives use is limited to exchange traded derivatives, for example the purchase of call or put options, rather than 'over the counter' (or non-exchange traded) derivatives. The Fund's strategy does not employ derivatives writing.

Derivatives are contracts between two parties that usually derive their value from the price of a physical asset or market index. They can be used to manage certain risks in investment portfolios or as part of an investment strategy. However, they can also increase other risks in the Fund or expose the Fund to additional risks.

Risks include the possibility that the derivative position is difficult or costly to reverse, that there is an adverse movement in the asset or index underlying the derivative or (to a lesser extent with exchange traded derivatives) that the parties do not perform their obligations under the contract.

Derivatives may result in leverage. The effect of using derivatives to provide leverage may not only result in capital losses but also an increase in the volatility and magnitude of the returns (both positive and negative) for the Fund.

As financial instruments, derivatives are valued regularly and movements in the value of the underlying asset or index should be reflected in the value of the derivative.

## Borrowing risk

This is the risk associated with borrowing (often called leveraging or gearing). Direct leverage refers to borrowing money. Indirect leverage arises mostly from the use of sophisticated financial instruments such as derivatives.

Although the Fund has the ability to borrow, borrowing would be very unusual. See section 5 for details on the Fund's borrowing policy.

It is the Fund's policy that any underlying funds not borrow.

## Liquidity risk

This is the risk that your withdrawal requests cannot be met when you expect. Because cash is paid to your account when you withdraw, investments of the Fund may need to be sold to pay you. Depending on factors such as the state of the markets, selling investments is not always possible, practicable or consistent with the best interests of investors.

This is one of the reasons why the Constitution for the Fund specifies limited circumstances where there could be a delay in meeting your withdrawal request. The law sometimes restricts withdrawals.

Although you may sell your units privately, you may not find a buyer or a buyer at the price you want.

## Fund structure risk

This is the risk associated with having someone invest for you.

Risks associated with investing in the Fund include that the Fund could be closed and your money returned to you at the prevailing valuations at that time, the Responsible Entity or the Investment Manager or an underlying fund could be replaced.

Key people can also change (for example key individuals involved in managing the Fund or an underlying fund). Davin Hood is a key

person in relation to the Fund. Were Davin no longer involved in the management of the fund his deep knowledge of the investment strategy would be difficult to replace.

There is also the risk that someone involved with your investment (even remotely) does not meet their obligations or perform as expected, assets may be lost, not recorded properly or misappropriated, laws may adversely change, insurers may not pay when expected, systems may fail or insurance may be inadequate.

Investing through an administration platform also brings some risks that the operator of the administration platform may not perform its obligations properly.

Investing in the Fund may give different results compared to investing directly where, for example, you avoid the impact of others coming and going and may be able to manage your tax situation better.

## Information risk

We are committed to ensuring that your information is kept secure and protected from misuse and loss and from unauthorised access, modification and disclosure. We use the Internet in operating the Fund and may store records in a cloud system. If stored overseas, different privacy and other standards may apply there.

The internet does not however always result in a secure information environment and although we take steps we consider reasonable to protect your information; we cannot absolutely guarantee its security.

## Managing risk

As risk cannot be entirely avoided when investing, the Fund aims to identify and manage risk as far as is practicable. Whenever investments are made, the potential for returns in light of the likely risks involved are assessed.

Risk is considered throughout the investment process. As far as is practicable, risk is managed at the Fund level in the selection of individual investments.

However, many risks are difficult or impracticable to manage effectively and some risks are beyond our and the Investment Manager's control altogether.

Remember, investing involves risk, and you can lose as well as make money. Neither returns nor the money you invest in the Fund is guaranteed.

## Risk generally

The significant risks of investing in managed investment schemes generally include the risks that:

- the value of investments will vary,
- the level of returns will vary, and future returns will differ from past returns,
- returns are not guaranteed and investors may lose some or all of their money, and
- laws change.

The level of risk for you particularly will vary depending on a range of other factors, including age, investment time frame, how other parts of your wealth are invested, and your risk tolerance. If you are unsure whether this investment is suitable for you, we recommend you consult a financial adviser.

Further information about the risks of investing in managed investment schemes can be found on ASIC's MoneySmart website at [www.moneysmart.gov.au](http://www.moneysmart.gov.au).

## 5. HOW WE INVEST YOUR MONEY

**Warning:** you should consider the likely investment return, risk and your investment timeframe when choosing to invest in the Fund.

### Investment objective

The performance objective of the Fund is to maximise the total return (income plus growth) above the consumer price inflation (change in CPI) over rolling 3 year periods without generating a negative return over any 12 month period.

### Investment strategy

The Fund combines a factor-based asset allocation with an active derivatives overlay. At any time, approximately 95%-

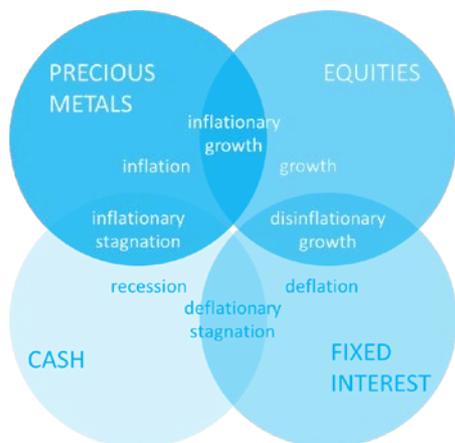
100% of Fund capital will be allocated to the factor-based strategy and 0%-5% to the overlay.

#### Factor-based asset allocation

A factor based portfolio is constructed around risk factors rather than asset classes. The Investment Manager considers that market outcomes are highly influenced by combinations of two macroeconomic risk factors: growth and inflation (or changes to expectations of such).

In addition, surprises impacting each factor, and financial markets generally, are common and have an underappreciated influence on long-term investor returns.

The Investment Manager considers that disciplined, active management of a strategy with equal exposure to positive and negative changes to these factors can protect capital during periods of market uncertainty and even gain from volatility. At the same time, it considers that such an 'all-weather' approach can participate in any sustained price trends, as macro-economic outcomes materialise.



Based on the Investment Manager's analysis of market behaviour and factors:

- inflationary growth has generally been favourable for equities and precious metals,
- disinflationary growth has generally been favourable for equities and fixed interest,
- deflationary stagnation has generally been favourable for cash and fixed interest, and
- inflationary stagnation has generally been favourable for precious metals and cash.

Periods of shorter term monetary and financial system uncertainty have also generally been relatively favourable for precious metals and cash.

#### Derivatives overlay

The Investment Manager monitors a range of asset classes and underlying assets for absolute and relative price attributes.

Subject to certain criteria, it uses a small and pre-defined amount of Fund capital to purchase derivatives in seeking near-term gain.

Losses from this strategy are limited to the small amount of capital invested, however gains are not limited.

#### Risk management

Disciplined risk management is designed to ensure that the Fund remains adequately prepared for multiple market outcomes at all times. As market prices move, the Fund's balance of assets will naturally shift away from its strategic allocation to each of the four defined factors. Some exposures may increase in concentration and overall portfolio risk may increase.

Because the effectiveness of the Fund's strategy depends on the relative exposure to the defined factors being maintained, the Fund's portfolio will be adjusted regularly through the buying and selling of assets.

#### Investment exposure

Specific asset types held by the Fund are predominantly as follows:

<b>Equities</b>	Predominantly direct holdings in S&P ASX100 securities, and other assets or securities with a market price leveraged to the relevant economic and market scenarios.
<b>Fixed Interest</b>	Predominantly assets or securities with a market price tracking that of the Bloomberg AusBond Composite All Maturities Index, but with exposure to investment grade AUD denominated fixed interest securities and other assets or securities with a market price leveraged to the relevant economic and market scenarios.
<b>Precious metals (unhedged)</b>	Predominantly allocated gold bullion 1kg bars (LBMA accredited), but with exposure to other precious metals and/or securities with a market price leveraged to the relevant economic and markets scenarios.
<b>Cash</b>	Cash management trusts, bank bills, term deposits and fixed interest securities with less than 12 months to maturity.
<b>Derivatives</b>	Predominantly call options and put options purchased over the other asset classes listed above. Also see 'Use of derivatives' below.

#### Use of underlying funds

Investment exposure is expected to be principally by the Fund investing directly itself but the Investment Manager may determine to invest through underlying funds, for example managed funds (listed and unlisted) and exchange traded funds (**together, underlying funds**). Underlying fund managers are selected according to a rigorous due diligence process which assesses up front and regularly factors such as management, risk and return, longevity and track record.

#### Use of derivatives

The Investment Manager may use derivatives to:

- hedge (protect) against a fall in market price of particular assets of the Fund, and/or
- increase leverage to change in the market price of particular assets or one of the defined economic scenarios.

Derivatives holdings are limited to exchange traded instruments (such as listed options), rather than 'over the counter' (or non-exchange traded) derivatives. The Fund's strategy does not employ derivatives writing.

#### Investment timeframe

The suggested minimum investment timeframe for this Fund is 3 years.

#### Volatility

The specific assets in which the Fund will invest, such as equities and precious metals, can be volatile when viewed independently of the other assets. However, each asset is subject to different or contrary risks. As such, the object of the Fund's overall asset allocation is to achieve less volatility than the assets taken independently.

#### Borrowing and short selling

The Fund does not intend to borrow, but may do so for the short term, generally to meet redemptions, distributions, or short-term portfolio obligations, and then only if the borrowing is considered to be prudent and in the best interests of all investors. It is the Fund's policy that any underlying funds not borrow.

The Fund does not short-sell securities. It is the Fund's policy that any underlying funds not use short selling.

#### Environmental, Social, Governance

No labour standards or environmental, social or ethical considerations are taken into account in selection, retention or realisation of any asset of the Fund.

## 6. FEES AND COSTS\*

### DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.

### TO FIND OUT MORE

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

This section shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the assets of the Fund as a whole. Taxes are set out in another part of this document. You should read all the information about fees and costs because it is important to understand their impact on your investment.

COR CAPITAL FUND		
TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
Fees when your money moves in or out of the fund		
<b>Establishment fee</b> the fee to open your investment	nil	Not applicable
<b>Contribution fee</b> the fee on each amount contributed to your investment	nil	Not applicable
<b>Withdrawal fee</b> the fee on each amount you take out of your investment	nil	Not applicable
<b>Termination fee</b> the fee to close your investment	nil	Not applicable

### MANAGEMENT COSTS

The fees and costs for managing your investment

Investment Management Fee	1.025% pa of the net asset value of the Fund including net GST	Payable to the Investment Manager as an expense of the Fund, this is calculated and accrues daily, and is payable monthly in arrears. This fee is not negotiable for certain types of investors.
Performance Related Fee	nil	Not applicable
Usual expenses including fees payable to the Responsible Entity	0.35% pa estimate including net GST	
Unusual expenses	nil estimate	
Indirect costs	0.14% pa of the net asset value of the Fund including net GST estimate	Investors bear the impact of indirect costs

### Service fees

<b>Switching fee</b> the fee for changing investment options	not applicable	not applicable
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Refer to our website for any updates.

### Additional explanation of fees and costs

#### Investment Management Fee

An Investment Management Fee, being 1.025% pa of the value of your investment including net GST, is paid to Cor Capital for managing the assets of the Fund. This is calculated and accrued daily, paid monthly in arrears out of the assets of the Fund. The Investment Management Fee is not negotiable for retail clients, and for wholesale clients is at the discretion of the Investment Manager.

#### Expenses

We are entitled to be reimbursed from the Fund for any expenses incurred in relation to the Fund provided they are in the proper performance of our duties.

Usual expenses are Fund associated costs which we consider in the ordinary course of fund operations, including fees payable to the responsible entity. There is no limit on expense recovery however Cor Capital has estimated ordinary expenses at 0.35% pa including net GST, but they could be higher or lower than this estimate. If incurred, Unusual Expenses can also be paid from the Fund. Examples include costs associated with establishing the Fund, professional assistance establishing and operating the Fund, seeking and dealing with investor approvals and directions, fees and costs associated with platforms, exchanges and ratings, any tax liability the Fund may have, change of responsible entity, investment manager or any service provider, and costs incurred especially for this fund. Occasionally, costs which might otherwise be considered usual are of such a nature that we may deem them to be unusual.

Expenses are generally paid as incurred.

#### Other fees and costs

**Warning:** Fees may also be paid to your financial adviser. Ask your financial adviser, and refer to any Statement of Advice they may provide you.

## Transactional and operational costs

These are costs associated with making the Fund's investments. They include:

- the Buy Spread and the Sell Spread, and
- other transactional and operational costs.

The **Buy Spread** and the **Sell Spread** seek to ensure investors are treated fairly when others invest into and leave the Fund. The entry and the exit price are made 0.15% higher and lower respectively. It is an adjustment to take account of certain transaction costs the Fund must pay to invest new money and to realise investments to fund those leaving. In this Fund, if a person withdraws \$1,000 in the Fund then a sell spread \$1.50 would apply, in effect as an additional cost to them, and if a person invests \$1,000 in the Fund then a buy spread \$1.50 would apply, in effect as an additional cost to them. This money is retained in the Fund and is not paid to us or to the Investment Manager. The Buy Spread and the Sell Spread compensate the Fund for, or offset the impact on investors on a continuing basis for certain transactional and operational costs.

All transactional and operational costs for the last complete financial year were offset by the Buy Spread and the Sell Spread and so based on the \$50,000 fees and costs example below, these would add \$nil to the annual cost of your investment.

### Tax

The Fund does not usually pay tax. You will usually pay tax in relation to your investment. See the Tax section for details.

### Example of annual fees and costs

This table gives an example of how the fees and costs for the Fund can affect your investment over a one-year period. You should use this table to compare the Fund with other managed investment products. It is important to read the assumptions and notes below the table.

EXAMPLE COR CAPITAL FUND		BALANCE OF \$50,000 INCLUDING A CONTRIBUTION OF \$5,000 DURING THE YEAR
Entry Fees	nil	For every additional \$5,000 you put in, you may be charged a \$nil entry fee.
PLUS Investment Management Fee	1.025% pa	And, for every \$50,000 you have in the Fund you will be charged \$512.50 each year.
PLUS Expenses	0.35% pa	And, for every \$50,000 you have in the Fund you will be charged \$175 each year.
PLUS Unusual expenses	nil estimate	And, for every \$50,000 you have in the Fund you will be charged \$nil each year.
PLUS Indirect costs	0.14% pa estimate	And, for every \$50,000 you have in the Fund you will be charged up to \$70 each year.
EQUALS Cost of the Fund		If you put in \$50,000 at the beginning of the year and your balance was \$50,000, then you would be charged fees of up to \$757.50 each year.

## 7. TAX

**Warning:** Investing in a managed investment scheme is likely to have tax consequences.

### Tax implications

This information is a general guide only for Australian resident investors who hold their investment on capital account. It is not a complete statement of relevant tax laws. You will probably need to pay tax in relation to your investment in the Fund, both on distributions and withdrawals. The amount and type of tax you will need to pay, and when, depends on the tax character of any amounts paid to you, their timing and on your personal financial circumstances.

Tax can be complex. We strongly encourage you to seek timely professional advice before making investment decisions.

### Distributions

This Fund aims to pay distributions semi-annually, at 30 June and 31 December.

Our policy is to distribute all cash income of the Fund unless we consider it in the best interests of investors as a whole to do otherwise. Investors will usually incur an income tax liability on their distributions.

Under certain laws if they apply to the Fund, we can attribute different tax results to different investors and classes, but we must make these decisions fairly, and you have rights in limited circumstances to object to any such decision. We expect that for the most part, all investors of each class will be treated the same.

### Withdrawals

This Fund offers regular liquidity in normal circumstances. Investors will usually incur a capital gains tax liability when they make a withdrawal from the Fund and when ownership of their units changes. Sometimes tax discounts are available which can act so as to reduce your tax liability. Factors relevant include the kind of taxpayer you are, your tax residence and how long you have held your units.

### Foreign investors

Tax outcomes can be different for investors who are not residents of Australia for tax purposes. For example, we may need to deduct withholding tax from amounts we pay. Under Australia's offshore tax rules, the ATO expects that tax be paid by investors on some gains made offshore, even though those gains are not yet received by investors back in Australia. It is also possible that investors have a tax liability on gains realised offshore but not actually paid to them here in Australia.

Additionally, certain laws focus on investors who are not Australian residents for tax purposes. These laws include the US based 'FATCA' laws, and also the 'Common Reporting Standard' which is designed to be a global standard for collection and reporting of tax information about non-residents. You must, in a timely way, give us such information concerning these matters as we may ask. Generally, we report this to the ATO, who then shares this with relevant foreign tax authorities.

### TFNs and ABNs

You do not have to disclose your tax file number (TFN) or any Australian Business Number (ABN) you may have, but most investors do. If you choose not to and you do not have an exemption, we must deduct tax at the highest personal rate, plus the Medicare levy, before paying any distribution to you.

### What else should you know?

We will send you information after the end of each financial year (June) to help you complete your tax return.

Investing through a trust can also mean some things are different for you from a tax viewpoint. Liabilities may be different and you may have less control. It is possible that a liability to pay tax arises on your investment even when we have not paid money to you, and in this case you may need to fund this liability independently of your investment.

Sometimes when we are administering the Fund we take into account past tax matters and need to make adjustments. If this happens, it is possible that we will ask you to adjust your own tax records, or the Fund may pay tax or receive a refund and it can be the investors at the time that are subject to this.

### Indirect investors

Tax outcomes can be different for indirect investors. We strongly encourage you to seek timely professional advice before making investment decisions.

## Tax reform

Tax laws change, often substantially. You should monitor reforms to the taxation of trusts in particular and seek your own professional advice that is specific to your circumstances.

## 8. HOW TO APPLY\*

### Investing for the first time

To make an initial investment, simply complete the Application Form attached to this PDS. Soft copies of this PDS and the Application form are available from us or at [www.corcapital.com.au](http://www.corcapital.com.au). Post the original Application Form, together with the required identification documents, to the Registry.

The minimum initial investment amount for the Fund is generally \$25,000.

### Investing more

To make an additional investment, simply complete an Additional Investment Form. Soft copies are available from us or at [www.corcapital.com.au](http://www.corcapital.com.au). Post or email your form to the Registry.

The minimum additional investment amount for the Fund is generally \$5,000.

### How you pay

You can pay using direct deposit, direct debit or cheque. Instructions are included in our forms. Cash is not accepted. Please use your investor name or number as the reference when transferring funds to us electronically.

### Processing of your application

Applications are generally processed each Melbourne business day. If applications are incomplete, there can be delays.

Completed applications with cleared application monies which are received by 2pm generally receive that day's price. If received after this, you will receive the price next calculated, usually the next Melbourne business day.

Unit prices are based on the net asset value of the Fund and will vary as the market value of the assets of the Fund fluctuates.

Once lodged, applications cannot generally be withdrawn. Any interest earned on lodged application monies is credited to the Fund and not to the individual applicant.

Applications are almost always accepted, however OneVue has discretion to refuse any application and does not need to give a reason.

If for any reason we refuse or are unable to process your application to invest in the Fund, we will return your application money to you, subject to regulatory considerations, less any taxes or bank fees in connection with the application. You will not be entitled to any interest on your application money in this circumstance.

You will receive confirmation when your application is processed.

### Withdrawing

You can ask to withdraw your money at any time. To request a withdrawal, complete the Redemption Form. Soft copies are available from us or at [www.corcapital.com.au](http://www.corcapital.com.au). Post or email your form to the Registry.

You generally have access to your investment each Melbourne business day. In some circumstances, such as when there is a freeze on withdrawals, investors may not be able to withdraw their funds - see 'Delays' for details.

There is no minimum withdrawal amount.

You generally need to keep a minimum of \$20,000 invested and if your account falls below this we may redeem your investment balance.

We need to receive your Redemption Form properly completed before we can process your request. If it is incomplete, there can be delays. Deductions are made for any money you owe relating to your investment. Unit prices are based on the net asset value of the Fund and will vary as the market value of the assets of the Fund fluctuate.

Redemption Forms received by 2pm usually receive that day's price. If received after this, you will receive the price next calculated, usually the next Melbourne business day. Once lodged, withdrawal requests cannot generally be withdrawn. You will

receive confirmation when your withdrawal is processed.

Your withdrawal will be paid by transfer to your nominated account, normally within 5 Melbourne business days of the request being processed, and (unless there are delays) in any case within 30 days of your request or such shorter period at our discretion. We do not pay by cheque or cash.

## 9. ADDITIONAL INFORMATION\*

### How to find out more

Contact us or Cor Capital. See More Information section for contact details.

The Investment Manager's website has further information about the Fund, including the latest:

- unit prices,
- performance figures,
- investment reports, and
- press releases and media.

You can contact ASIC or us to obtain copies of any documents which we have lodged with ASIC, for example, the accounts of the Fund.

The Fund is subject to regular reporting and disclosure obligations. Copies of documents we may lodge with ASIC (such as any half-year and annual financial reports) may be obtained from or inspected at an ASIC office or distributor. We will send you copies of any document which we lodge, on request.

### Keeping you informed

To help keep you informed of your investment, the following information will be provided:

- every transaction you make is confirmed,
- reporting to you is at least quarterly (if you want an update at any time, just ask), and
- you are sent a tax report as soon as possible after the end of each financial year.

Information that OneVue is required to disclose to satisfy any continuous disclosure obligations will be available on our website and you can request a paper copy free of charge from your professional adviser or by contacting OneVue.

Each September, the Fund's audited accounts will also be available there (we will also email or mail them to you if you wish).

Remember, however, that if you are an indirect investor then reports will come from the operator of that administration platform - see pages 1 and 2 of this PDS for further details.

### Keep your details up to date

It's important to keep your details with us up to date - please contact us to correct them if required. You must provide in a timely way all information regarding you and your investment which law requires, for example, regarding your identity or the source or use of invested moneys.

Indirect investors do not need to update their details with us: we hold no personal information about them - see pages 1 and 2 of this PDS for further details.

## MORE INFORMATION

### Registry

#### **OneVue Fund Services Pty Limited**

GPO Box 804  
Melbourne Vic 3001

**T:** 1300 659 046  
**T:** +61 3 9445 5010 (outside Australia)  
**E:** corcapital\_transactions@onevue.com.au  
www.onevue.com.au

### Investment Manager

#### **Cor Capital Pty Ltd**

ABN 37 155 801 817  
AFSL 419 924  
Level 31, 120 Collins Street  
Melbourne Victoria 3000 Australia

**T:** +61 3 9225 5273  
**E:** contact@corcapital.com.au  
www.corcapital.com.au

### Responsible Entity

#### **OneVue RE Services Limited**

ABN 94 101 103 011  
AFSL 223271  
Level 5, 10 Spring Street  
Sydney NSW 2000 Australia

**T:** +61 2 8252 2200  
**E:** reservices@onevue.com.au  
www.onevue.com.au

### Where to send your forms

Your documents should be sent to:

#### **Cor Capital Fund**

GPO Box 804  
Melbourne Vic 3001

**E:** corcapital\_transactions@onevue.com.au

Soft copies of our forms are available from us or at  
[www.corcapital.com.au](http://www.corcapital.com.au).