



# Regal Long Short Australian Equity Fund

**PRODUCT DISCLOSURE STATEMENT  
18 MARCH 2022**

THIS PRODUCT DISCLOSURE STATEMENT ("PDS") IS ISSUED BY PERPETUAL TRUST SERVICES LIMITED  
ABN 48 000 142 049 AFSL 236648 ("PERPETUAL")

# Important Notices and Disclaimer

This PDS is intended solely for the use of the person to whom it has been delivered for the purpose of evaluation of a possible investment by the recipient in the units described in it and is not to be reproduced or distributed to any other person (other than professional advisers of the prospective investors so receiving it). This PDS can only be used by investors receiving it (electronically or otherwise) in Australia. Applications from outside Australia will not be accepted.

The information in this PDS is general information only and is not a recommendation to invest. It does not take into account your individual objectives, tax and financial situation or particular needs or circumstances. Prospective investors should read and understand this PDS in its entirety, rely upon their own enquiries and take their own financial and taxation advice in deciding whether to invest. This PDS should be read in conjunction with the constitution of the Regal Long Short Australian Equity Fund ARSN 149 722 654 ('Fund'), which is available from us. In addition, you should also consider the Target Market Determination (TMD) for the Fund before making an investment decision to ensure that you form part of the target market of the fund. This can be obtained from the Fund's website at [www.regalfm.com](http://www.regalfm.com)

No person is authorised to give any information or to make any representations in connection with the Fund that are not contained in this PDS. Any information or representation not so contained may not be relied upon as having been authorised in connection with this investment.

Information in this PDS is subject to change from time to time. Information that is not materially adverse may be updated without issuing a new or supplementary PDS. Such updated information may be obtained from the Fund's website at [www.regalfm.com](http://www.regalfm.com). A paper copy of any updated information will be provided on request free of charge.

An investment in the Fund is an investment in a registered managed investment scheme, and is not a bank deposit, bank security or other bank liability. There is no guarantee of repayment of capital from the Fund or the investment performance of the Fund by Perpetual.

# Table of Contents

SECTION	PAGE
<b>Important Notices and Disclaimer</b>	2
<b>1 The Fund at a Glance</b>	4
<b>2 Disclosure Benchmarks</b>	6
<b>3 About Perpetual</b>	8
<b>4 About Regal Funds Management</b>	9
<b>5 Key Service Providers</b>	11
<b>6 About the Regal Long Short Australian Equity Fund</b>	13
<b>7 Benefits of Investing in The Fund</b>	19
<b>8 Risks of Investing in The Fund</b>	20
<b>9 Fees and Other Costs</b>	24
<b>10 How The Fund Operates</b>	31
<b>11 Investing in The Fund</b>	33
<b>12 Taxation</b>	36
<b>13 Additional Information</b>	38
<b>14 Terms Used In This Pds</b>	42

This Product Disclosure Statement ("PDS") is issued by Perpetual Trust Services Limited ABN 48 000 142 049 AFSL 236648 ("Perpetual")

## CONTACT DETAILS:

### Perpetual Trust Services Limited

Level 18  
123 Pitt Street  
SYDNEY NSW 2000  
T: +61 2 9229 9000  
W: [www.perpetual.com.au](http://www.perpetual.com.au)

# Section 1

## The Fund at a Glance

KEY FUND INFORMATION AND DISCLOSURE PRINCIPLES		SECTION
<b>Investment strategy</b>	<p>The Fund aims to outperform the S&amp;P/ASX 300 Accumulation Index net of fees over a rolling five year period by investing in an unregistered unit trust named the Regal Australian Long Short Equity Fund ('Underlying Fund'), managed by Regal Funds Management Pty Limited ABN 30 107 576 821 AFSL 277 737 ('Regal'). The Underlying Fund invests in Australian listed (or soon to be listed) equities, exchange traded derivatives and cash assets. These are held by the Australian domiciled custodians, and denominated in Australian Dollars.</p> <p>To identify investment ideas, Regal primarily employs fundamental, bottom-up analysis of companies listed (or soon to be listed) on the Australian Securities Exchange.</p> <p>Regal employs 'long/short investing' techniques to increase the breadth of investment opportunities for enhanced potential to outperform.</p> <p>The Fund is suitable for investors with an investment horizon of five years or more.</p>	6
<b>Investment manager</b>	<p>The investment manager for the Fund is Regal Funds Management Pty Limited.</p> <p>The trustee and investment manager for the Underlying Fund is also Regal Funds Management Pty Limited. Philip King is the portfolio manager of the Underlying Fund and Chief Investment Officer of Regal.</p>	4 & 5
<b>Fund structure</b>	<p>The Fund is a managed investment scheme registered in Australia. Perpetual is the responsible entity of, and issuer of units in, the Fund. Perpetual is responsible for the day to day operations of the Fund and has appointed key service providers who are involved in the Fund's ongoing operation.</p> <p>The Fund implements its investment strategy by investing into the Underlying Fund, an unregistered unit trust established in Australia.</p>	3, 5 & 6
<b>Valuation, location and custody of assets</b>	<p>Both the Fund's and the Underlying Fund's assets are valued each Business Day for the preceding Business Day. The Fund's unit prices are available at <a href="http://www.regalfrm.com">www.regalfrm.com</a>.</p> <p>The Hongkong and Shanghai Banking Corporation Limited, Sydney Branch ('HSBC') is the Fund's administrator and custodian.</p>	5 & 10

KEY FUND INFORMATION AND DISCLOSURE PRINCIPLES		SECTION
<b>Liquidity</b>	The Fund generally accepts applications and redemptions on a daily basis on each Business Day.  Regal expects that 80% of the Underlying Fund's assets are capable of being realised within 10 Business Days.	8
<b>Leverage</b>	The Underlying Fund does not intend to employ leverage through derivatives to amplify investment exposure. However, a key strategy of the Underlying Fund is to use short-selling, of which an intended consequence is an increase to the Underlying Fund's gross market exposure.	5 & 6
<b>Derivatives</b>	The investment strategy does not involve the use of derivatives. However, derivatives may be used by the Underlying Fund from time to time to manage risk or gain investment exposure if the Investment Manager believes this to be in the best interests of investors in the Underlying Fund.	6
<b>Short selling</b>	The Underlying Fund employs short selling techniques to enhance potential returns.	6 & 8
<b>Withdrawals</b>	Withdrawals will generally be paid within 10 Business Days.	8 & 11

KEY PRODUCT FEATURES		SECTION
<b>COSTS OF INVESTING IN THE FUND</b>		<b>9</b>
<b>Management Fee</b>	1.00% p.a	
<b>Indirect costs*</b>	0% pa	
<b>Performance Fee**</b>	20%	
<b>Buy/Sell Spread</b>	+0.30%/-0.30%	
<b>MINIMUM INVESTMENT REQUIREMENTS</b>		<b>11</b>
<b>Minimum initial investment</b>	\$25,000	
<b>Minimum additional investment</b>	\$10,000	
<b>Minimum redemption</b>	\$10,000	
<b>DISTRIBUTIONS</b>		<b>10</b>
<b>Frequency</b>	Semi-annually (as at 31 December and 30 June)	
<b>Payment method</b>	Distributions may be automatically reinvested into additional units in the Fund, or paid into Australian bank account nominated by you.	

\*Regal pays Fund expenses including abnormal costs out of the Management Fee. Underlying Fund management fees and performance fees are rebated in full to the Fund by Regal. Please refer to '9. Fees and other costs' for more information.

\*\*The Performance Fee is payable on returns above the Hurdle. Please refer to '9. Fees and other costs' for more information.

# Section 2

## Disclosure Benchmarks

This PDS meets ASIC's disclosure benchmarks in relation to valuation of assets and periodic reporting.

### VALUATION OF ASSETS

Perpetual has and implements a policy that requires valuation of the Fund's assets that are not exchange traded to be provided by an independent administrator. The valuation of all Fund assets is provided by HSBC, who has been appointed as the Administrator of the Fund, and is also the administrator of the Underlying Fund. HSBC is unrelated to both Perpetual and Regal. The valuation of the assets of the Fund, as well as the assets of the Underlying Fund, is conducted by HSBC on each Business Day for the preceding Business Day.

For those unlisted securities where the market values are not available (or where Perpetual reasonably believes that the market values do not represent a fair value), then Perpetual may require HSBC to use another valuation method provided that it is in line with market practice and can be independently verified.

For those exchange traded assets held in the Underlying Fund, HSBC will obtain the closing market prices from the relevant exchange for use in the valuation.

### PERIODIC REPORTING

Perpetual has and implements a policy to provide periodic reports on certain key information, as set out below. Where required, the reports disclose this information for both the Fund and the Underlying Fund.

#### MONTHLY UPDATES

The following information will be provided to investors on a monthly basis:

- Current total net asset value of the Fund and the withdrawal value of a unit;
- Net return on the Fund's assets after fees, costs and taxes;
- Changes to key service providers, including any change in related party status;
- Any material change to the Fund's risk profile or investment strategy; and
- Any changes in individuals playing a key role in investment decisions for the Fund.

#### ANNUAL REPORTING

As soon as practicable after the end of the relevant period, we will provide the:

- Actual allocation to each asset type;
- Liquidity profile of the Fund's assets;
- Maturity profile of the liabilities of the Fund;
- Fund's leverage ratio;
- Derivative counterparties engaged;
- Monthly or annual investment returns since inception;
- Changes to key service providers;
- Account balance and transaction information as at the end of the reporting period;
- Distribution information; and
- Annual tax statement.

Additionally, you will receive the audited financial statements of the Fund which are issued annually for each year ending 30 June. They will be prepared in accordance with Accounting Standards applicable to general financial statements in Australia to the extent that the Fund is required to comply with those standards by the Corporations Act or under the constitution. The audited financial statements are made available to investors online at [www.regalfm.com](http://www.regalfm.com).

#### **ONGOING AVAILABILITY**

The latest periodic report addressing the relevant matters as disclosed above is available on the Fund's website ([www.regalfm.com](http://www.regalfm.com)). Investors may also obtain a hard copy by contacting Perpetual.

#### **TRANSACTION REPORTING**

Additionally, we will confirm all applications, redemptions and distributions on your account where applicable.

#### **INDIRECT INVESTORS**

The IDPS operator will provide Indirect Investors with reports on the progress of the Fund.

# Section 3

## About Perpetual

Perpetual Trust Services Limited ("Perpetual") is the Responsible Entity for the Fund.

Perpetual is a wholly owned subsidiary of Perpetual Limited ABN 86 000 431 827, and a part of Perpetual Group which has been in operation for over 135 years. Perpetual Limited is an Australian public company that has been listed on the Australian Securities Exchange for over 50 years.

Perpetual holds Australian Financial Services License number 236648 issued by ASIC, which authorises it to operate the Fund.

Perpetual is bound by the Fund's constitution and the Corporations Act. Perpetual has lodged a compliance plan with ASIC which sets out the key measures which Perpetual will apply to comply with the constitution and the Corporations Act. Perpetual has established a Compliance Committee with a majority of external members. The compliance plan is overseen by the Compliance Committee and is audited annually with the audit report being lodged with ASIC.

Perpetual has the power to delegate certain aspects of its duties. The Responsible Entity has appointed Regal Funds Management Pty Limited as the investment manager of the Fund. There are no unusual or materially onerous terms in the agreement under which the Investment Manager has been appointed.

The Responsible Entity has appointed HSBC as Custodian and Administrator of the Fund and Boardroom to provide registry services for the Fund.

Investment in the Fund is not a deposit with, or liability of, Perpetual or any other company of the Perpetual group. It is subject to investment risk, including possible delays in repayment and loss of income and principal invested. None of Perpetual, the Unit Registry, HSBC, Regal or their related entities, shareholders, directors or officers guarantees the performance of the Fund, the return of an investor's capital or any specific rate of return.



# Section 4

## About Regal Funds Management

Regal Funds Management Pty Limited (Regal) is incorporated in Australia and based in Sydney and invests the assets of the Underlying Fund.

Regal's Australian long short investment strategy is applied by Regal in its capacity as manager of the Underlying Fund.

Regal's Australian long short investment strategy primarily relies on Regal's fundamental investment process, a research driven investment process which was launched in 2004, and in some ways is similar to more traditional long-only managers. Through fundamental research Regal selects shares that it believes are undervalued and are expected to rise in price.

In addition, the investment strategy utilises Regal's expertise and systems to sell shares that it believes are overvalued and take advantage of a falling share price. This practice is known as 'shorting' and sets Regal apart from many other traditional investors as it creates more opportunity for generating returns above the benchmark (but may also generate attendant losses, see page 15).

Perpetual has appointed Regal as the investment manager of the Fund. Perpetual is able to terminate Regal's appointment under the Investment Management Agreement at any time in certain circumstances, including but not limited to where:

- a receiver is appointed with respect to the assets and undertakings of Regal;
- Regal goes into liquidation, ceases to carry on business in relation to its activities as investment manager, or materially breaches or fails to observe or perform any duty or obligation under the agreement and fails to rectify the breach within a reasonable period;
- it is required to do so by law; or
- the Fund terminates.

Regal is also the investment manager of the Underlying Fund.

### PORTFOLIO MANAGER

Philip King is the Chief Investment Officer at Regal and is responsible for the portfolio management of the Underlying Fund, through which the Regal Long Short Australian Equity Fund gains its investment exposure. At least 90% of Philip's time is spent on investment activities across Regal's fundamental strategies.

Prior to joining Regal in January 2006 Philip worked for De Putron Fund Management ('DPFM') in London as a hedge fund manager specialising in relative value and special situations. At that time DPFM managed nearly \$2 billion in hedge funds.

Prior to joining DPFM in 2000, Philip was an equities analyst at Macquarie Bank for over five years. At Macquarie, Philip covered many sectors including Basic Industries, Telecommunications and Media. He was rated highly in numerous public surveys and was involved in a number of corporate transactions such as the initial public offering of Telstra. Philip also worked at KPMG from 1987 to 1994 as a Chartered Accountant and was involved in auditing, taxation and general accounting and corporate advisory services.

Philip holds a Bachelor of Commerce (Honours) from the University of NSW, is a Fellow of the Financial Services Institute of Australasia, a member of the UK Society of Investment Professionals.

## INVESTMENT TEAM

Regal has a high quality investment team of approximately 24 investment professionals responsible for the analysis and security selection for the firm's investment strategies. Each team member has significant experience in financial markets both in Australia and overseas. Regal has a broad knowledge base to draw upon with investment staff having experience on the buy side and sell side, fundamental investing, sales/research, long-side/hedge fund investing as well as investment banking and capital markets.

## REGULATORY AND LEGAL MATTERS

As a result of concerns which ASIC had arising out of a particular instance of the purchase and sale of parcels of listed securities in May 2013 by Mr King, as Chief Investment Officer of Regal, both Mr King and Regal offered, and ASIC agreed to accept, in December 2015, an enforceable undertaking (EU) by Mr King and Regal. By a final report dated 25 January 2019, ASIC confirmed Mr King's and Regal's compliance with each of the undertakings given pursuant to the EU. Accordingly, the conditions of the EU have concluded. There have been no other adverse regulatory findings against Regal or any member of its team.

# Section 5

## Key Service Providers

There are a number of parties, in addition to the Responsible Entity, involved in the day-to-day operation and administration of the Fund or who otherwise provide services in connection with the Fund (including the Underlying Fund).

Key service providers are shown in the table below.

KEY SERVICE PROVIDER (ROLE)	DESCRIPTION
<b>Regal Funds Management Pty Limited (Investment Manager)</b>	The Investment Manager is responsible for making investment decisions for the Fund and the Underlying Fund.
<b>Boardroom (Unit Registry)</b>	The Unit Registry will be responsible for keeping the register of unitholders and arranging for the issue and redemption of units in the Fund. The Unit Registry will also be responsible for the payment of distributions and providing communications to unitholders.
<b>HSBC (Custodian and Administrator)</b>	<p>The Custodian is responsible for holding the Fund's financial assets, and among other things, arranging for settlement of sales and purchases of financial assets. The Underlying Fund does not have a custodial relationship with HSBC (the assets in the Underlying Fund are effectively held by the prime brokers (or their custodians) and are denominated in Australian dollars - see below). HSBC holds, on behalf of the Fund, units in the Underlying Fund.</p> <p>In addition, HSBC provides administration services such as valuation, and fund accounting for the Fund and the Underlying Fund.</p>
<b>PricewaterhouseCoopers (Fund Auditor)</b>	PricewaterhouseCoopers has been appointed as the independent auditor of the Fund's financial statements and Compliance Plan.
<b>Ernst &amp; Young (Auditor of the Underlying Fund)</b>	Ernst & Young has been appointed as the independent auditor of the Underlying Fund's financial statements.

### UNIT REGISTRY

As at the date of this PDS, Boardroom has been appointed as Unit Registry for this Fund. The Unit Registry will be responsible for keeping the register of unitholders and arranging for the issue and redemption of units in the Fund. The Unit Registry will also be responsible for the payment of distributions and providing communications to unitholders.

The Unit Registry is generally entitled to be indemnified by the Fund against all claims suffered or incurred by the Unit Registry arising from, or in connection with the conduct of the unit registry services in accordance with the agreed terms, or in accordance with proper instructions given by Regal (other than those arising from or in connection with the fraud, gross negligence or wilful misconduct of the Unit Registry).

## THE CUSTODIAN AND THE ADMINISTRATOR

As at the date of this PDS, HSBC has been appointed as the custodian for the Fund. HSBC's role as custodian is limited to holding and maintaining assets of the Fund on behalf, and as agent, of Perpetual as the Responsible Entity for the Fund. Any liability or responsibility which HSBC has or may have under the custody arrangements are to Perpetual as the Responsible Entity only. Where there are any assets of the Fund which the Responsible Entity elects not to deposit with HSBC, HSBC shall have no liability whatsoever in respect of such assets. HSBC does not have a supervisory role in relation to operation and/or management of the Fund and is not responsible for protecting the interests of unitholders. A sub-custodian or other custodians may be appointed from time to time and the custodian may transfer all assets to another custodian without your consent.

HSBC has also been appointed as the Administrator of the Fund and the Underlying Fund (the 'Administrator'). HSBC's appointment as Administrator is limited to fund accounting and the calculation of asset values and fees.

In accordance with the relevant agreements between HSBC, Perpetual and Regal, HSBC has no supervisory role in relation to the operation of the Fund or the Underlying Fund, and has no liability or responsibility to unitholders for any acts or omissions. HSBC, in its roles as Custodian and Administrator, was not involved in preparing this PDS, and neither HSBC nor any of its associated entities takes any responsibility for the contents of this PDS. Furthermore, neither HSBC nor any of its associated entities makes any guarantee related to the success or performance of the Fund, the repayment of capital from the Fund, any particular rate of capital or income return from the Fund, or any increase in the value of the Fund.

## PRIME BROKERS

Prime brokers facilitate securities borrowing and lending processes, while providing centralised securities clearing and custody services to the Underlying Fund. Regal may change, add to or remove prime brokers without notice to investors.

The fees of the prime broker for securities lending and associated services are payable by the Underlying Fund. The prime broker has no decision making discretion relating to the investment of the assets of the Underlying Fund and makes no representation in respect of the Fund, Underlying Fund or the investment of the assets.

The prime broker and their related entities are service providers to the Underlying Fund and are not responsible for the preparation of this PDS or the activities of the Fund and therefore accept no responsibility for any information contained in this document.

## CHANGES TO KEY SERVICE PROVIDERS

Perpetual has processes and procedures for selecting, monitoring and reviewing the performance of the key service providers of the Fund as well as any delegations made by such service providers. These key service providers are subject to change at any time, and in some cases without prior notice to investors. We will inform investors of any material change to key service providers in the next regular communication or as otherwise required by law.

# Section 6

## About the Regal Long Short Australian Equity Fund

### INVESTMENT RETURN OBJECTIVE

The Fund aims to outperform the S&P/ASX 300 Accumulation Index net of fees over a rolling five year period.

You should weigh up the potential benefits against the risks of investing (see section titled "Risk of investing in the Fund").

### PERFORMANCE BENCHMARK

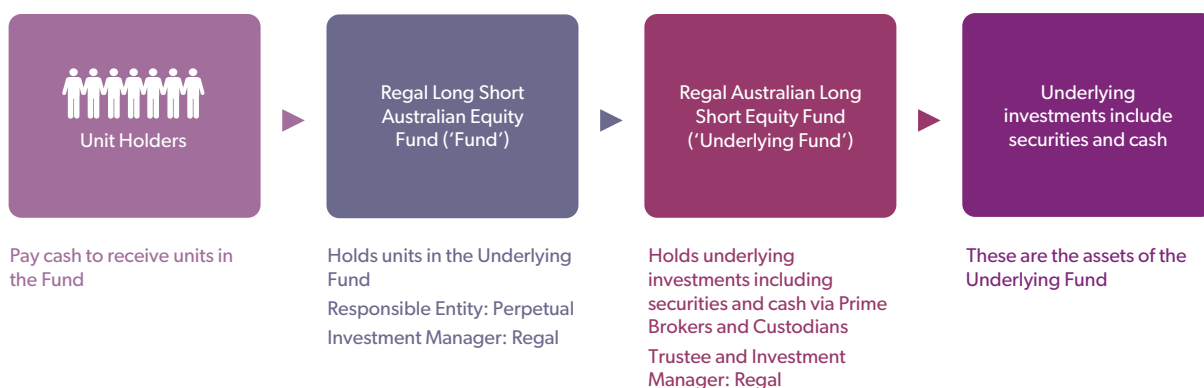
S&P/ASX 300 Accumulation Index ("Benchmark")

### MINIMUM SUGGESTED TIME FRAME FOR HOLDING INVESTMENT

5 years or more.

### FUND STRUCTURE

The Fund has been established to provide retail investors with an opportunity to gain exposure to a strategy managed by Regal. The Fund will access its investment strategy by investing in the Underlying Fund. Regal is the trustee and Investment Manager of the Underlying Fund and references in this PDS to investments, objectives, and risks of the Fund also refer to the Underlying Fund.



The Fund is an Australian registered managed investment scheme, established under a constitution. The Fund's constitution (in addition to the Corporations Act and general law) sets out Perpetual's powers, duties and obligations, as well as the rights of unitholders. Together with the Corporations Act, the constitution also sets out the framework under which the Fund operates. The constitution (including any amendments) has been lodged with ASIC.

Perpetual has the right to close or terminate the Fund and change the Fund's investment strategy, benchmark, and asset allocation ranges and limits, and in some cases we may do this without prior notice to investors.

We will inform investors of any material change to the Fund's structure in their next regular communication or as otherwise required by law, which in circumstances, may require prior notice to investors. Material change notices are also available on the Regal's website [www.regalfm.com](http://www.regalfm.com).

Your rights and obligations as a unitholder in the Fund are also governed by the constitution for the Fund, the Corporations Act and the general law relating to trusts. This includes the right to attend unitholder meetings, to make withdrawal requests, receive and reinvest distributions, participate in termination proceeds and lodge complaints.

The constitution contains provisions designed to limit your liability to the amount invested in the Fund. However, you should be aware that the effectiveness of such a limitation is yet to be conclusively determined by the courts. A copy of the Fund constitution is available free of charge by contacting Perpetual or your IDPS scheme operator.

## INVESTMENT STRATEGY

The Fund obtains its investment exposure through the Underlying Fund. Therefore, the investment strategy of the Fund reflects the investment strategy of the Underlying Fund, which is disclosed below. The Fund itself does not engage in investment in securities (other than investment in the Underlying Fund), short selling, leverage or derivatives transactions.

## INVESTMENT PROCESS

Regal employs the following investment processes in building the Underlying Fund's portfolio of investments.

### Fundamental investment process

The fundamental investment process for the Underlying Fund generally focuses on a four- step stock selection process, which emphasises the bottom-up valuation of companies.

When utilising its fundamental investment process, stocks are considered for either a long or short position in the portfolio by following a four-step stock selection process:

1. 'Bottom-up' valuation involves considering factors such as earnings, strength of the balance sheet, cash flows and the quality of management. This step may involve management visits and other company-specific qualitative measures.
2. Identify 'top-down', or macro factors and trends affecting a company including global growth, currency impact and commodity prices. This allows the team to assess whether to hedge these risks or to seek to benefit from them.
3. Catalysts can change the market's perception of value. These can include management changes, earnings upgrades or corporate activity. By investing with catalysts in mind the team can minimise the time they are invested in a stock and as a result, reduce risk.
4. Finally, the analysis seeks to minimise mistakes by first understanding alternative viewpoints in the market and hence Regal's 'insight' in a given trade.

Figure 1 (below) illustrates the key steps in the fundamental investment process, where the starting point is almost always bottom-up stock selection:

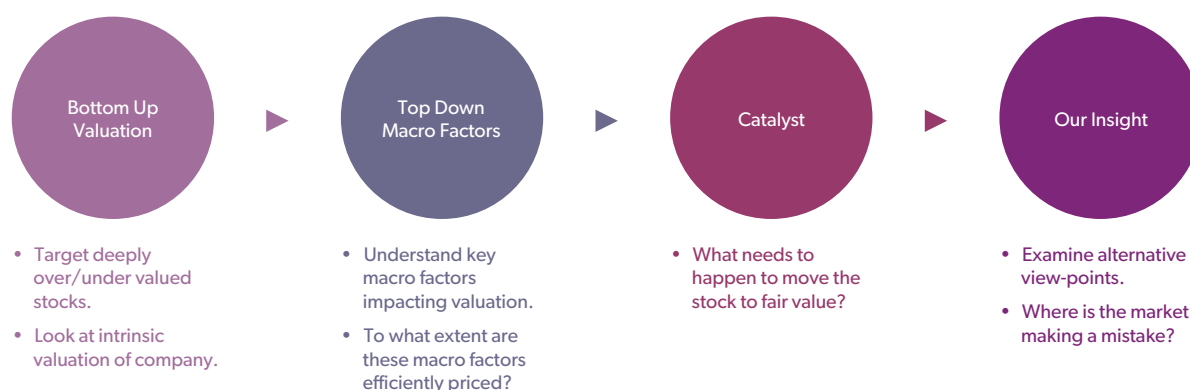


Figure 1. Regal's Four Step Stock Selection Process

### Market Driven Investment Process

Regal can also apply the market driven investment process in the Fund. The market driven investment process seeks to take advantage of short-term mispricing opportunities in the equity market, rather than investing in any individual companies or a portfolio of companies for a prolonged period of time.

Investment opportunities Regal may identify using the market driven investment process include participating in placements, block trades, initial public offerings or rights issues or trading on an opportunistic basis to take advantage of a theme, specific opportunity or trend.

## SHORT SELLING

A traditional, 'long-only' portfolio would then buy the under-valued stocks that are expected to rise in value. However, the Underlying Fund is also able to take advantage of Regal's expertise and systems to apply a process called 'short selling' to allow the Fund to take advantage of falling share prices.

Short selling is where a fund borrows securities with the promise to return equivalent securities at a specified time in the future. The borrowed securities will then be sold on the open market. If the stock falls in value, the fund will purchase the stock and return those securities to the lender, thus generating a profit. However, if the stock increases in value, this will generate a loss.

## WHAT IS LONG/SHORT INVESTING?

When short-selling is used in combination with a traditional, long-only portfolio, this process is known as 'long/short investing'. It is a process designed to deliver enhanced relative and risk-adjusted returns through the combination of 'long' and 'short' exposures.

When compared to traditional 'long-only' funds, long/short exposures create additional opportunities by allowing the manager to express negative views on a particular stock by selling borrowed securities that the manager believes will underperform the market. The manager will then use the proceeds of the short sale to increase their exposure to stocks that they view favourably.

In essence, long only investments have one source of return: buying stocks that are expected to rise in value. Long/short strategies have two sources of prospective return. A fund that employs a long/short investment strategy can generate returns by owning stocks that the manager expects will rise in value (long). At the same time the fund can sell (short) stocks that are expected to underperform.

## WHY USE LONG/SHORT INVESTING?

- Expanded opportunity to generate returns above the Benchmark
- Negative views rewarded through short-selling
- High conviction positive views rewarded through increased exposure
- Can add value in both rising and falling markets

## HOW DOES LONG/SHORT INVESTING WORK?

1. Buy a share portfolio with 100% of the capital ("long positions")
2. Borrow shares worth 30% of the capital and sell shares in market through "short selling"
3. Using the proceeds from short selling, buy an additional 30% in shares

## WHAT IS THE FINAL EXPOSURE?

1. The gross exposure (long plus short exposure) to the market is 160% of the original capital
2. The net exposure (long minus short exposure) to the market is 100% of the original capital

An illustration of a typical construction of the portfolio and the resultant market exposure is shown below in Figure 2.

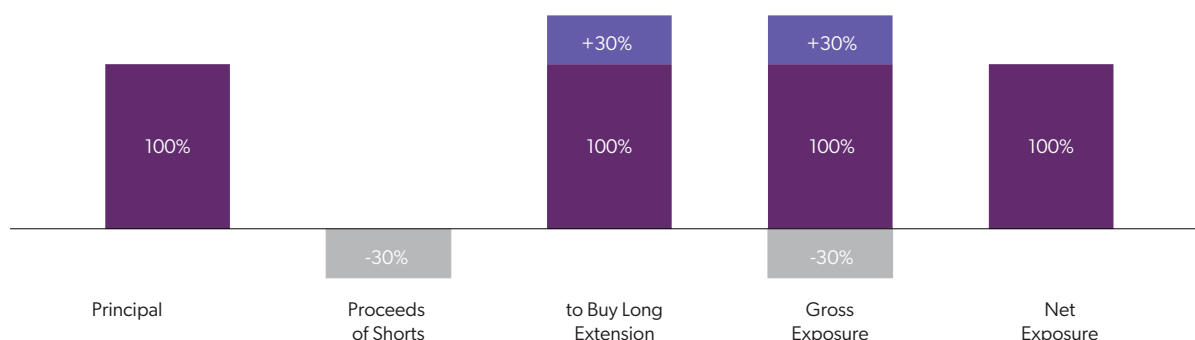


Figure 2. Illustration of a long/short (active extension) strategy

The description and diagram of gross and net market exposures are for illustrative purposes only. Actual exposures are managed in accordance to the ranges as described in “investment guidelines”, below.

### WHAT ARE THE IMPLICATIONS OF INCREASED MARKET EXPOSURE?

The increased gross exposure of the portfolio to the market can magnify any positive performance the portfolio has, however it may also magnify any losses.

Even though the gross market exposure is increased, at any time the net exposure to the equity market will be close to 100%, and therefore it is anticipated that the Fund and Underlying Fund will generally move in the same direction as the Benchmark.

For example, using benchmark returns as a proxy for the performance of both the long and short portfolios, we can see that in Scenario 1 the performance of a passive long short portfolio is essentially tied to the market. Once active management is applied in Scenario 2, the portfolio may be enhanced due to the increased exposure. However, if the active decisions underperform, the opposite will be true.

In Scenario 3, a falling benchmark combined with a theoretical portfolio’s underperformance is illustrative of losses that have been magnified due to the increased market exposure. In comparison, a portfolio with the same long positions and without leverage would have returned -11% (or -\$11), as shown in Scenario 4.

SCENARIO 1: FUND PERFORMS IN-LINE WITH BENCHMARK		EXPOSURE	% RETURN	\$ RETURN
<b>Benchmark</b>			<b>10%</b>	
Long Positions		\$100	10%	\$10
Short Positions		\$50	-5%	-\$5
Extra Long Positions (using proceeds from short selling)		\$50	5%	\$5
Gross Exposure		\$200		
Net Exposure		\$100		
<b>Total Performance</b>			<b>10%</b>	<b>\$10</b>

SCENARIO 2: FUND OUTPERFORMS BENCHMARK		EXPOSURE	% RETURN	\$ RETURN
<b>Benchmark</b>			<b>10%</b>	
Long Positions		\$100	11%	\$11
Short Positions		\$50	-4%	-\$4
Extra Long Positions (using proceeds from short selling)		\$50	5%	\$5
Gross Exposure		\$200		
Net Exposure		\$100		
<b>Total Performance</b>			<b>12%</b>	<b>\$12</b>

SCENARIO 3: FUND UNDERPERFORMS BENCHMARK		EXPOSURE	% RETURN	\$ RETURN
<b>Benchmark</b>			<b>-10%</b>	
Long Positions		\$100	-11%	-\$11
Short Positions		\$50	4%	\$4
Extra Long Positions (using proceeds from short selling)		\$50	-6%	-\$6
Gross Exposure		\$200		
Net Exposure		\$100		
<b>Total Performance</b>			<b>-13%</b>	<b>-\$13</b>



SCENARIO 4: FUND UNDERPERFORMS BENCHMARK WITHOUT LEVERAGE		EXPOSURE	% RETURN	\$ RETURN
<b>Benchmark</b>			<b>-10%</b>	
Long Positions		\$100	-11%	-\$11
Short Positions		\$0		
Extra Long Positions (using proceeds from short selling)		\$0		
Gross Exposure		\$100		
Net Exposure		\$100		
<b>Total Performance</b>			<b>-11%</b>	<b>-\$11</b>

Note that these returns are theoretical only and do not imply the level of returns investors should expect. It also does not account for transaction costs, management fees, expenses and taxes.

### INVESTMENT GUIDELINES

The Underlying Fund may invest within the asset class and investment guidelines as set out in Figure 3. This is a general guideline only and gearing and exposures may be higher or lower during certain periods. As well as providing reasonable constraints, these investment guidelines also serve to manage a number of risks including leverage, short selling as well as investment specific and market risks.

ASSET CLASS EXPOSURE	AS % OF NAV <sup>1</sup>
<b>Cash</b>	-10 to 10
<b>Australian listed equities</b>	90 to 110
<b>Exchange traded derivatives</b>	-20 to 20
MARKET EXPOSURE	AS % OF NAV
<b>Net exposure</b>	90 to 110
<b>Gross exposure range</b>	90 to 200 <sup>2</sup>
<b>Anticipated gross exposure</b>	170 to 200 <sup>3</sup>
<b>Single stock active weight<sup>4</sup></b>	+/-5
TRACKING ERROR	% PER ANNUM
<b>Tracking error target<sup>5</sup></b>	4 to 8

Figure 3. Underlying Fund guidelines & targets

1 NAV, or 'Net Asset Value' is the value of the fund's assets less the value of its liabilities.

2 The maximum gross exposure of 200% means that for every \$1 of the Underlying Fund's NAV, it is leveraged \$1 for a gross exposure of \$2.

3 The maximum anticipated gross exposure of 200% means that for every \$1 of the Underlying Fund's NAV, it is leveraged \$1 for a gross exposure of \$2.

4 Active weight means the weight of a stock in the portfolio relative to its weight in the Benchmark.

5 Tracking error target is a measure of how the Fund portfolio diverges from the Benchmark.

## **DERIVATIVES**

The investment strategy does not generally involve the use of derivatives. However, in certain circumstances, exchange traded derivatives may be used by the Underlying Fund to manage risk or gain exposure to investments when appropriate.

Where derivative counterparties need to be engaged by the Underlying Fund, Regal has processes and procedures to select, monitor and review derivatives counterparties as part of their risk management framework. The framework provides for managing dollar exposures to individual counterparties in accordance with internal risk guidelines and assessing counterparties based on their creditworthiness.

## **RISK MANAGEMENT**

Regal has implemented a risk management framework including proprietary risk management software and strict trading rules to manage the Underlying Fund's exposures.

Perpetual reviews the risk management framework of its managers, including Regal. Perpetual also has its own risk management framework, in accordance with its own licence conditions.

## **LABOUR STANDARDS, ENVIRONMENTAL, SOCIAL AND ETHICAL CONSIDERATIONS**

Whilst Regal intends to conduct its affairs in an ethical and sound manner, investment criteria do not take into account labour standards, environmental, social or ethical considerations for the purpose of selecting, retaining or realising any investment made by the Fund.

## **DUE DILIGENCE ON UNDERLYING FUND**

The Investment Manager, Regal carefully considered and reviewed a range of materials, including historical fund performance information of the Underlying Fund in implementing the Investment strategy.

# Section 7

## Benefits of Investing in The Fund

Investing in the Fund gives investors access to:

- An opportunity to partake in an investment that would ordinarily be difficult for individual investors to employ;
- Enhanced potential for excess returns through the use of short-selling techniques; and
- A strategy with an investment team with a proven track record.

Regal are experienced investment management professionals:

- With extensive experience in managing equities for investors since 2004;
- Are specialists in using alternative techniques such as short-selling;
- Have a strong team of investment analysts with diverse capital markets backgrounds; and
- Possess a robust risk management framework.

Regal are complemented by well-resourced service providers, including:

- Boardroom Pty Ltd (Unit Registry)
- The Hongkong and Shanghai Banking Corporation, Sydney Branch (Custodian & Administrator);
- UBS, Credit Suisse and Bank of America Merrill Lynch (Prime Brokers of the Underlying Fund); and
- Perpetual Trust Services Limited (Responsible Entity).

# Section 8

## Risks of Investing in The Fund

All investments carry some level of risk. In investment terms, risk is the variability of returns over time and the potential loss of capital. Risk means it is not possible to predict the returns that an investment will achieve. Investment returns are not guaranteed and past performance is not an indicator of future performance.

Generally, the higher expected return of an investment, the higher the expected risk. Traditionally, listed shares have generally been considered to be more volatile (will experience greater fluctuations in value) than fixed income, while fixed income has generally been more volatile than cash. However, higher risk asset sectors such as shares have historically produced higher long term returns than fixed income.

The following table outlines the key risks of the Fund and the Underlying Fund. The value of your investment will rise and fall in line with the changing value of the underlying investments. The table does not purport to cover or explain all the risks of investing in the Fund. Each investor has their own particular investment objectives, financial situation and particular needs. You should consult with your financial adviser before investing and from time to time, to ensure your investment is, and remains, appropriate to your needs.

TYPE OF RISK	RISK EXPLAINED
<b>Market risk</b>	The market price of an asset can fluctuate which will affect the value of the investments in the Underlying Fund and therefore the Fund. These events may include changes in economic, social, technological or political conditions, as well as market sentiment, the causes of which may include changes in governments or government policies, political unrest, wars, terrorism, pandemics and natural, nuclear and environmental disasters. The duration and potential impacts of such events can be highly unpredictable, which may give rise to increased and/or prolonged market volatility.
<b>Investment specific risk</b>	<p>The Fund's investments involve a high degree of financial risk. Markets in which the Underlying Fund is anticipated to invest are subject to a high degree of volatility. There can be no assurance that the Fund's investment objectives will be realised or that unit holders in the Fund will receive any return on their investment.</p> <p>Certain investments by the Underlying Fund may be regarded as speculative in nature and involve increased levels of investment risk. An inherent part of the strategy is to identify securities which are undervalued (or, in the case of short positions, overvalued). Success in such a strategy necessarily depends upon the market eventually recognising the mispricing, which may not necessarily occur.</p>

TYPE OF RISK	RISK EXPLAINED
<b>Liquidity risk</b>	<p>This is the risk that a given asset cannot be traded quickly enough to prevent a loss (or make the required profit) due to the absence of an established market or a shortfall in trading volume.</p> <p>Due to this liquidity risk, the Fund's inability to dispose of its underlying investments may, from time to time, limit the Fund's ability to meet withdrawal requests.</p> <p>If significant withdrawals of units in the Fund are requested, it may also not be possible for the Underlying Fund to liquidate its investments at the time such withdrawals are requested (due to the implementation of a suspension on redemptions in the Underlying Fund) or it may be able to do so only at prices which Regal believes do not reflect the true value of such investments, resulting in an adverse effect on the return to remaining investors.</p> <p>The Underlying Fund is invested in liquid, highly traded securities. To further mitigate this risk, Regal regularly assesses the Underlying Fund's investments to ensure that it is invested in assets sufficiently liquid to realise 80% in 10 days.</p>
<b>Short selling risk</b>	<p>Short selling involves a higher level of risk than buying a security. This is because when a security is bought, the maximum loss is limited to the amount invested. With short selling, there is no limit on the maximum loss because there is no upper limit on a security's price. Unless action is taken, losses will continue to increase as the security's price rises.</p> <p>Borrowed securities may also be unexpectedly recalled at a time when they cannot be bought back without substantial losses being incurred.</p>
<b>Leverage risk</b>	<p>Leverage occurs when the investment exposure to investments exceeds the value of the net asset value, and can magnify both the gains and losses. The Fund primarily employs short selling to increase its gross exposure to the market. Please also refer to risks pertaining to short selling above.</p>
<b>Counterparty risk</b>	<p>This is the risk that another party to a financial transaction (the counterparty) fails to meet its obligations. Counterparty risk arises primarily from transactions involving derivatives and lending arrangements entered into by the Underlying Fund, and substantial losses can be incurred. Regal will seek to manage such risk by evaluating the creditworthiness of its counterparties.</p>
<b>Manager risk</b>	<p>Although Perpetual has the ultimate authority for the management of the Fund, all the decisions relating to the investment of the Fund's assets has been outsourced to Regal. The Underlying Fund's trading is largely dependent on the continuation of the services and skills of Regal's officers and employees. The loss of Regal's services (or that of one or more of its key personnel) could materially and negatively impact the value of the Fund as it may lead to the loss of the use of any proprietary investment methodology developed by Regal. There is also a risk with any managed fund that the investment manager will not perform as expected.</p>
<b>Derivatives risk</b>	<p>Risks of derivatives include: the value of the derivative failing to move in line with the underlying asset or as expected; the possibility that the derivative position is difficult or costly to reverse, and counterparty risk.</p>
<b>Fund risk</b>	<p>This is the risk that the Fund and the Underlying Fund could terminate, or the fees and expenses could change.</p>

TYPE OF RISK	RISK EXPLAINED
<b>Regulatory risk</b>	<p>Regal has an established regulatory compliance and governance framework. Regal monitors compliance with existing laws and regulations, the political and regulatory environment and its adherence to internal processes.</p> <p>Regal has and may become subject to regulatory investigations. The inherent uncertainty of the investigative processes may have an effect on Regal's operational and/or financial position, through demands on management time and increased costs. Such investigations may result in administrative actions or legal proceedings against Regal or its key persons. If any such action or proceeding is commenced, Regal will make appropriate disclosures. Such actions or proceedings, if successful, could attract fines and civil and criminal liability or other regulatory action. There is also the risk that Regal's reputation may suffer due to the profile of, and public scrutiny surrounding, any regulatory investigation, regardless of the outcome.</p> <p>Further, all investments carry the risk that their value may be affected by changes in laws and regulations especially taxation laws. Regulatory risk includes risk associated with variations in the taxation laws of Australia or other jurisdictions in which the Fund holds investments.</p>
<b>Interest rate risk</b>	<p>Interest rate movements may adversely affect the value of the Fund through their effect on the price of a Security and the cost of borrowing.</p>
<b>Conflicts of Interest risk</b>	<p>Conflicts of interest exist in the structure and operation of the Underlying Fund's investments: Regal serves as the investment manager and investment advisor to other client accounts, and Regal's compensation for managing the other client accounts may be more than its compensation for managing the Underlying Fund, thus providing an incentive to focus its efforts on such other client accounts. Such other clients may have investment objectives or may implement investment strategies similar to those of the Underlying Fund.</p> <p>Regal may also give advice or take action with respect to the other clients that differs from the advice given with respect to the Underlying Fund. To the extent a particular investment is suitable for both the Underlying Fund and the other clients, these other clients may compete with the Underlying Fund with respect to these investments. Where this occurs, the Investment Manager will allocate, under normal conditions, investments in a fair and equitable manner taking into account applicable laws and regulations and the surrounding circumstances, including the risk profile, investment objective and guidelines of the Underlying Fund and the other client accounts.</p> <p>From the standpoint of the Underlying Fund, simultaneous identical portfolio transactions for the Underlying Fund and the other clients may tend to decrease the prices received and increase the prices required to be paid by the Underlying Fund, respectively, for its portfolio sales and purchases. Where less than the maximum desired number of shares of a particular security to be purchased or sold is available at a favourable price, the shares purchased or sold will, under normal conditions, be allocated among the Underlying Fund and the other clients in a fair and equitable manner, subject to applicable laws and regulations and taking into account surrounding circumstances, including the risk profile and investment objectives and guidelines of the Underlying Fund and the other client accounts.</p> <p>The Underlying Fund may participate in transactions in which the Investment Manager and/or its officers, employees, directors or affiliates are, directly or indirectly, interested. In connection with such transactions, the Underlying Fund, on the one hand, and the Investment Manager and/or its officers, employees, directors or affiliates, on the other, may have conflicting interests.</p>

TYPE OF RISK	RISK EXPLAINED
	<p>Directors, shareholders, officers and employees of the Investment Manager may engage, from time to time, in personal trading of securities and other instruments, including securities and instruments in which the Underlying Fund may invest. The Investment Manager has implemented personal trading compliance policies, approval procedures and restrictions to monitor personal trading, manage conflicts of interest and give precedence to the interests of the Underlying Fund and clients. These policies and procedures apply to all executive directors, officers, employees (including contractors and secondees) of the Investment Manager</p> <p>The Investment Manager or its affiliates may manage separate managed accounts or dedicated investment vehicles for investors that pursue strategies similar to, or that overlap with, those of the Underlying Fund. These clients may have access to detailed information about their accounts, including current portfolio holdings, which the Investment Manager or its affiliates do not customarily make available to investors in the Fund, the Underlying Fund or other pooled investment vehicles. Such clients may be able to take action, including more timely action, with respect to their accounts that investors in pooled vehicles with similar or parallel strategies cannot take.</p> <p>In addition, purchase and sale transactions (including swaps) may be effected between the Underlying Fund and other clients for cash consideration at the current market price of the particular securities.</p> <p>As a result of the foregoing, Regal and its affiliates may have conflicts of interest in allocating their time and activities between the Underlying Fund and the other clients, in allocating investments among the Underlying Fund and the other clients, and in effecting transactions between the Underlying Fund and the other clients.</p> <p>Entities within the 'Perpetual Group' (comprising Perpetual Limited and its subsidiaries, including the Responsible Entity) may act in various capacities (such as responsible entity, trustee and custodian) for other funds or accounts not described in this PDS. Perpetual Group have implemented policies and procedures to identify and where possible mitigate or avoid these potential conflicts.</p>
<b>Past Performance</b>	<p>The past performance of the Fund, the Underlying Fund and of other funds managed by Regal cannot be relied upon in assessing the merits of the Fund. Applicants should read the Product Disclosure Statement in full and obtain independent advice prior to investment.</p>
<b>Operational and Information Security risk from Cyberattacks</b>	<p>The Fund, the Underlying Fund and their respective service providers may be subject to operational and information security risks resulting from cyberattacks. Cyberattacks include, among other behaviours, efforts to gain unauthorized access to information or systems, or to cause intentional malfunctions or loss or corruption of data, software, hardware or other computer equipment, stealing or corrupting data maintained online or digitally, the unauthorised release of confidential information or various other forms of cybersecurity breaches. Cyberattacks are viewed as a constantly evolving risk and the scope of the risk and related mitigation techniques are subject to continuing change.</p>

# Section 9

## Fees and Other Costs

### DID YOU KNOW?

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

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

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

You may be able to negotiate to pay lower fees. Ask the fund or your financial adviser.

### TO FIND OUT MORE

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

### FEES AND OTHER COSTS

This section shows the 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 Fund's assets as a whole.

Taxes are set out in another part of this document.

You should read all of the information about fees and costs because it is important to understand their impact on your investment.

### FEES AND COSTS SUMMARY

REGAL LONG SHORT AUSTRALIAN EQUITY FUND		
TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
ONGOING ANNUAL FEES AND COSTS		
<b>Management fees and costs</b> The fees and costs for managing investment	1.00% of the NAV of the Fund per annum	The Management Fee is calculated and accrued daily and paid monthly to Regal in arrears from the Fund.



## REGAL LONG SHORT AUSTRALIAN EQUITY FUND

TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
<b>Performance fees<sup>2</sup></b> Amounts deducted from your investment in relation to the performance of the product	The five-year average of the performance fee charged is 0% of the NAV of the Fund.	20% of the amount (if any) by which the Fund's investment performance exceeds the Hurdle. <sup>3</sup>  The Performance Fee (if any) is payable to Regal and is calculated and accrued daily in the Fund's unit price. If applicable, the fee is payable semi-annually to Regal.
<b>Transaction costs</b> The costs incurred by the scheme when buying or selling assets	3.33% of the NAV of the Fund	Transaction costs are deducted from the assets of the Fund and/or the Underlying Fund when incurred and are reflected in the unit price.
<b>MEMBER ACTIVITY RELATED FEES AND COSTS (FEES FOR SERVICES OR WHEN YOUR MONEY MOVES IN OR OUT OF THE PRODUCT<sup>1</sup>)</b>		
<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>Buy/Sell spread</b> An amount deducted from your investment representing the costs incurred in transactions by the scheme	+0.30%/-0.30%	This is paid to the Fund (and in turn paid to the Underlying Fund). The Buy/Sell Spread is incorporated into the unit price and incurred when an investor invests in or withdraws from the Fund and is not separately charged to the investor.
<b>Withdrawal fee</b> The fee on each amount you take out of your investment	Nil	Not applicable
<b>Exit fee</b> The fee to close your investment	Nil	Not applicable
<b>Switching fee</b> The fee for changing investment options	Nil	Not applicable

1 Please refer to the explanation of "Management Fee" and "Expenses" in the "Additional Explanation of Fees and Costs" section below. This fee may in some cases be negotiated with direct investors. For more information, please refer to the explanation of "Differential fees" in the "Additional Explanation of Fees and Costs" section below. Management expenses may also be incurred by the Fund.

2 See "Performance Fee" in the "Additional Explanation of Fees and Costs" section below for a dollar worked example.

3 Subject to a highwater mark. The Hurdle is the S&P/ASX 300 Accumulation Index return plus the Management Fee for that day. The Fund's investment performance is calculated with reference to the Net Asset Value of the Fund (adjusted for applications and redemptions and before the payment of any distribution).

## ADDITIONAL EXPLANATION OF FEES AND COSTS

### MANAGEMENT FEES AND COSTS

Management fees and costs comprise the additional fees or costs that a unitholder incurs by investing in the Fund rather than by investing directly in the assets, namely the management fee and indirect costs of the Fund and the Underlying Fund. These are described in further detail below. Management fees and costs do not include transactional and operational costs (i.e. costs associated with investing the underlying assets, some of which may be recovered through Buy/Sell Spreads).

### MANAGEMENT FEE

The management fee of 1.00% p.a. of the NAV of the Fund is payable to the Investment Manager for managing the assets and overseeing the operations of the Fund. Regal may pass some or all of the management fee to Perpetual. The management fee is accrued daily and paid from the Fund monthly in arrears. As at the date of this PDS, expenses such as custodian fees, administration and audit fees, any fees of the Underlying Fund, and other expenses of operating the Fund are covered by the management fee at no additional charge to you.

Regal pays the expenses of the Fund (including extraordinary expenses) and Underlying Fund (excluding extraordinary expenses) out of the Management Fee, at no additional charge to you. Underlying Fund management fees and performance fees are also rebated in full to the Fund by Regal.

There were no extraordinary expenses of the Underlying Fund for the year ending 30 June 2021. The Fund's indirect costs were therefore 0% for the financial year ending 30 June 2021. Actual indirect costs for future years may differ.

Further information on the treatment of expenses of the Fund and Underlying Fund are provided below.

### FUND EXPENSES

Perpetual and Regal are entitled to be reimbursed for expenses incurred in the proper performance of the Fund's day to day operations. As at the date of this PDS, Regal pays these expenses including extraordinary expenses (including GST payable on fees) out of the Management Fee, at no additional charge to you.

### UNDERLYING FUND EXPENSES

As at the date of this PDS, Regal also rebates Underlying Fund ordinary expenses (including GST payable on fees, net of Reduced Input Tax Credits) out of the Management Fee, at no additional charge to you. Extraordinary expenses incurred by the Underlying Fund are reflected in the NAV of the Underlying Fund and, to the extent they are incurred, would be reflected in the indirect costs of the Fund. An extraordinary expense would, for example, be the cost of holding a unit holder meeting of the Underlying Fund.

At the date of this PDS, Regal intends to continue with its current practice of paying the abovementioned recoverable expenses out of its Management Fee. However, in the future Perpetual and/or Regal may decide to deduct expenses in addition to Regal's Management Fee, in which case we will give direct investors 30 days' written notice.

### PERFORMANCE FEE

The Performance Fee is equal to 20% of the amount by which the Fund's investment performance exceeds the Hurdle. The Fund's investment performance is calculated with reference to the Net Asset Value of the Fund (adjusted for applications and redemptions and before the payment of any distribution). The Hurdle is the S&P/ASX 300 Accumulation Index plus the Management Fee for that day.

This means that Regal is only entitled to charge a Performance Fee if the Fund's investment performance is positive and has exceeded the Hurdle.

Where the daily calculated Performance Fee is negative, it is applied to reduce any accrued Performance Fee from the previous day, or, where there is no accrued Performance Fee from the previous day, carried forward as a 'Performance Deficit'. Any Performance Deficit will need to be offset by future positive Performance Fees and before any Performance Fee becomes payable. This means that the Fund must make up any under-performance (in dollar terms) from previous periods before a Performance Fee can be accrued and reflected in the unit price. This is often referred to as a highwater mark.

The Performance Fee is calculated each Business Day based on the daily performance and the value of the Fund on that day and, where positive, accrued and reflected in the Fund's unit price, and will affect the return on investment in the Fund. If applicable, the Performance Fee is paid semi-annually (following the end of June and December) out of the Fund and you will not be charged directly.

The performance of the Fund (reflected by the NAV of the Fund) is currently above the highwater mark but below the Hurdle and is not expected to exceed the Hurdle during the current financial year. The five-year per annum average of the performance fee has been 0% of the NAV of the Fund due to rounding. However, the performance fee for future financial years may differ. Perpetual cannot guarantee that performance fees will remain at their previous level or that the performance of the Fund will outperform the Hurdle.

The calculated average performance fees for the Fund for each financial year making up the five financial year average is as follows:

FINANCIAL YEAR	PERFORMANCE FEE CHARGED
<b>FY17</b>	0%
<b>FY18</b>	0%
<b>FY19</b>	0.0024%
<b>FY20</b>	0%
<b>FY21</b>	0%

The Fund's past performance is not a reliable indicator of future performance. The actual performance fee payable (if any) will depend on the performance of the Fund over the relevant period.

#### EXAMPLES OF PERFORMANCE FEES FOR THE FUND

These examples show the dollar effect for a hypothetical investor. Investor A has \$50,000 invested in the Fund at on the first day of the period where a performance fee was calculated and has made no transactions during that period. Please note that in these examples, the Fund's returns exclude the Management Fee and Performance Fee. The examples assume the investor has held the investment in the Fund continuously over the entire period (and for Scenario 4, 2 subsequent periods) for which the performance fee was calculated.

SCENARIO	PERFORMANCE FEE
<b>SCENARIO 1</b>	
<ul style="list-style-type: none"> <li>– Fund's return is 6%</li> <li>– Hurdle return is 6%</li> <li>– The Fund return in excess of the Hurdle is 0%.</li> </ul>	No performance fee is charged.
<b>SCENARIO 2</b>	
<ul style="list-style-type: none"> <li>– Fund's return is 11%</li> <li>– Hurdle return is 6%</li> <li>– The Fund return in excess of the Hurdle is 5% (11%–6%)</li> </ul>	A performance fee of \$500 is charged (\$50,000 X 5% X 20% = \$500)
<b>SCENARIO 3</b>	
<ul style="list-style-type: none"> <li>– Fund's return is -6%</li> <li>– Hurdle return is -11%</li> <li>– The Fund return in excess of the Hurdle is 5% (-11% – -6%)</li> </ul>	No performance fee is charged as the Fund's net performance is negative.

SCENARIO	PERFORMANCE FEE
<b>SCENARIO 4</b>	
<ul style="list-style-type: none"> <li>The Fund has been in existence for 2 periods (Period 1 and Period 2)</li> <li>Investor A has been invested in the Fund continuously during Period 1 and Period 2.</li> </ul>	
<b>Period 1</b> <ul style="list-style-type: none"> <li>Fund return is 0%</li> <li>Hurdle return is 4%</li> <li>The Fund underperforms the Hurdle by 4% (0%–4%) and no Performance fee is charged in Period 1</li> <li>This performance deficit of 4% will be carried forward to Period 2.</li> </ul>	No performance fee is charged in Period 1
<b>Period 2</b> <ul style="list-style-type: none"> <li>Same details as Scenario 2</li> <li>The Fund's outperformance of 5% is partially offset by the Fund's underperformance of 4% in Year 1, resulting in net outperformance of 1% at the end of Period 2</li> </ul>	A performance fee of \$100 is charged in Period 2 $(\$50,000 \times 1\% \times 20\% = \$100)$

\* These examples are provided for illustrative purposes only and do not represent any actual or prospective performance of the Fund. It is not possible to estimate the actual performance fee payable for any given period as we cannot accurately forecast the Fund's performance. We do not provide any assurance that the Fund will achieve the performance used in the example and you should not rely on this in determining whether to invest in the Fund.

## TRANSACTION COSTS

In managing the assets of the Underlying Fund, the Underlying Fund may incur transaction costs such as fees and charges relating to the prime broker(s), bank charges, investment related legal fees and taxes, stock borrowing fees, brokerage, settlement costs, clearing costs, applicable stamp duty when assets are bought and sold. The Fund also incurs a Buy/Sell Spread when it makes applications or withdrawals for units in the Underlying Fund. These transaction costs exclude borrowing costs, property operating costs and implicit transaction costs or market impact costs.

Transaction costs are generally incurred when the assets of a fund are changed in connection with day-to-day trading or when there are applications or withdrawals which cause net cash flows into or out of a fund.

In addition, the Buy/Sell Spread for the Fund reflects the estimated transaction costs incurred in buying or selling assets of the Underlying Fund when investors invest in or withdraw from the Fund. The Buy/Sell Spread for the Fund is an additional cost to the investor but is incorporated into the unit price and incurred when an investor invests in or withdraws from the Fund and is not separately charged to the investor. The Buy/Sell Spread is paid into the Fund (and in turn paid to the Underlying Fund) and not paid to the Responsible Entity. The estimated Buy/Sell Spread is 0.30% upon entry and 0.30% upon exit. The dollar value of these costs based on an application or a withdrawal of \$25,000 is \$75 for each individual transaction. The Buy/Sell Spread can be altered by the Responsible Entity at any time. The Responsible Entity may also waive the Buy/Sell Spread in part or in full at its discretion.

Transactional costs which are incurred other than in connection with applications and redemptions arise through the day-to-day trading of the Fund's and the Underlying Fund's assets and are reflected in the Fund's unit price. As these costs are factored into the asset value of the Fund's assets and reflected in the unit price, they are an additional implicit cost to the investor and are not a fee paid to the Responsible Entity.

During the financial year ending 30 June 2021, the total transaction costs for the Fund was 3.39% of the Fund's net asset value, of which 0.24% was recouped via the Buy/Sell Spread of the Fund, resulting in a net transactional cost of the Fund of 3.33%. The dollar value of these costs over a 1-year period based on an average account balance of \$50,000 is \$1,665. However, such costs for future years may differ.

## EXAMPLE OF ANNUAL FEES AND COSTS FOR THE FUND

This table gives an example of how the fees and costs in the Fund can affect your investment over a 1 year period. You should use this table to compare this product with other managed investment products.

EXAMPLE – REGAL LONG SHORT AUSTRALIAN EQUITY FUND		BALANCE OF \$50,000 WITH A CONTRIBUTION OF \$5,000 DURING THE YEAR
<b>Contribution Fees</b>	Nil.	For every additional \$5,000 you put in, you will be charged nil*
<b>PLUS</b> Management fees and costs	1.00% pa	<b>And</b> , for every \$50,000 you have in the Fund you will be charged or have deducted from your investment \$500 each year.
<b>PLUS</b> Performance fees	0	<b>And</b> , you will be charged or have deducted from your investment \$0 in performance fees each year
<b>PLUS</b> Transaction Costs	3.33% pa	<b>And</b> , you will be charged or have deducted from your investment \$1,665 in transaction costs
<b>EQUALS</b> Cost of fund		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged or have deducted from your investment fees and costs of: \$2,165**  <b>What it costs you will depend on the fees you negotiate.</b>

\* Please refer to the following explanation of 'Transactional and Operational Costs' for a buy spread that may apply in respect of the \$5,000 contributed.

\*\*For illustrative purposes, the above example assumes that management fees and costs were calculated on a balance of \$50,000 and the value remains constant at \$50,000 for the entire year. It does not take account of management fees and costs that would be charged on the additional \$5,000 contributed during the year (as this will depend on when the additional \$5,000 is contributed). Indirect costs are not a fee earned by or paid to Perpetual or the Investment Manager. Additional fees may apply. Please note that this example does not capture all the fees and costs that may apply to you such as the Buy/Sell Spread. Additional fees may be paid to a financial adviser if you have consulted a financial adviser. You should refer to the Statement of Advice provided by your financial adviser in which details of the fees are set out.

The performance fee stated in the example in this table is the per annum average over the previous 5 years.

The transaction costs percentage stated in the example in this table is the transaction cost of the Fund net of the amount recouped via the Buy/Sell spread for the financial year ending 30 June 2021. The performance of the Fund, the performance fee and the transaction costs of the Fund, may be higher in the future. As a result, the Costs of the Fund may differ from the figure shown in the table. The example above is not a forecast of the performance of the Fund or the amount of the performance fee in the future. See also above (The actual indirect costs, transaction costs and performance fees for the current financial year and for future financial years may differ. For more information on the performance history of the Fund, visit the Investment Manager's website at [www.regalfm.com](http://www.regalfm.com). Past performance is not a reliable indicator of future performance.

## COMMISSIONS

Perpetual and Regal do not pay any fees or commissions to your financial adviser. However, your adviser may charge you certain fees for the services they provide to you.

## DIFFERENTIAL FEES

Perpetual may from time to time enter into special arrangements regarding differential fees in relation to investments made by investors who are 'wholesale clients' (as defined by the Corporations Act). Such negotiations would be subject to compliance with legal requirements and any applicable ASIC relief. Please contact us or your adviser for details of any fee rebates or waivers that may be negotiated.

## GST AND TAXATION

Please refer to the 'Taxation' section of this PDS for information regarding GST and other taxation information.

## FEE INCREASES AND OTHER COSTS

The constitution of the Fund permits higher fees to be charged as well as other fees which are not currently levied.

The maximum Management Fee under the constitution is 4% per annum. The maximum Performance Fee allowable under the constitution is 40%. However, the current applicable fees are as set out in the 'Fees and other costs' table.

You will be given 30 days' written notice in advance of any increase in fees and costs charged by the Fund.

### CAN WE CHARGE FEES NOT CURRENTLY LEVIED?

The Fund's constitution provides that we can charge the following fees:

FEE	DESCRIPTION	MAXIMUM ALLOWABLE
<b>Application fee</b>	The fee on each amount contributed to your investment	6%
<b>Withdrawal fee</b>	The fee on each amount you take out of your investment	6%
<b>Service fee</b>	Fees on services provided to the Fund	0.5% p.a.
<b>Cheque dishonour fee</b>	Where application moneys are paid by cheque, bill of exchange, promissory note, money order, direct debit or other instrument and that instrument is not honoured on presentation	\$20

At the date of this PDS, we do not charge these fees. If we introduce them, we will give direct investors 30 days' written notice.

To find out more or to receive a copy of the Fund's constitution, please contact Perpetual.

### FEES FOR INDIRECT INVESTORS

For Indirect Investors accessing the Fund through an IDPS such as a wrap platform, additional fees and costs may apply. These fees and costs are stated in the offer document provided by the relevant IDPS operator.

### ALTERNATIVE REMUNERATION

Perpetual may enter into arrangements to pay administration fees to IDPS operators in connection with the listing of this Fund on their investment menus. This fee is paid by Perpetual and not by the Fund. It is not charged out of the assets of the Fund and is not a separate additional charge to investors.

### REBATES FOR INTERFUNDING ARRANGEMENTS

The Fund may invest in other funds that Perpetual, Regal or a related entity, manage ("related fund"). Our current policy is:

- No contribution fee is payable to the related fund;
- Management fees are either not collected by the related fund or, if they are, they are rebated in full to the Fund; and
- Certain expense recoveries (if any) are fully rebated to the Fund, but the related fund may incur those expenses up to the related fund's own limit (if any) in its constitution.

Should this change, we will give investors 30 days' notice in writing.

# Section 10

## How The Fund Operates

### UNIT PRICING / VALUATION PROCESS

When you invest in the Fund you are allocated a number of units in the Fund. Each of these units represents an equal undivided part of the Fund's NAV. As a result, each unit has a dollar value or unit price. Generally, unit prices are calculated each Business Day and are calculated by dividing the Fund's NAV by the total number of units held by investors on that day. All unit prices are calculated to four (4) decimal places. The number of units issued is calculated and rounded to the nearest whole number.

The NAV of the Fund includes the assets (including income accumulated since the previous distribution), less any liabilities (including borrowings and expenses).

The entry unit price is usually higher than the exit unit price as a result of the buy/sell spread. For more information, please refer to the section on 'Transaction Costs and Buy/Sell Spread' above.

Entry and exit prices will usually be available in relation to the previous Business Day at [www.regalfm.com](http://www.regalfm.com).

Perpetual has adopted a unit pricing discretionary policy that sets out policies and procedures when exercising discretions under the Fund's constitution. In calculating the NAV of the Fund (or the Underlying Fund), Perpetual, the Administrator or their affiliates may rely upon, and will not be responsible for the accuracy of, financial data furnished to it by third parties including automatic processing services, brokers, market makers or intermediaries, Regal and any administrator or valuations agent of other collective investments into which the Fund invests. Perpetual may also use and rely on industry standard financial models in pricing any of the Fund's securities or other assets. If, and to the extent that, Regal is responsible for or otherwise involved in the pricing of any of the Underlying Fund's assets (for example in the case of unlisted or suspended stocks), Perpetual or the Administrator may accept, use and rely on such prices in determining the NAV of the Fund and the Underlying Fund, and shall not, to the maximum extent permitted by law, be liable to the Fund, any investor or any other person in doing so.

A copy of our unit pricing discretionary policy, including details of any discretions that we may exercise in various circumstances (including in respect of transaction costs), is available without charge upon request.

### DISTRIBUTIONS

Distributions will usually be determined semi-annually as at 30 June and 31 December each year. Distributions will generally be paid within one (1) month after the distribution date.

Perpetual may also pay a special distribution at other times where we consider it appropriate; for example, where there is a large withdrawal we may distribute income and capital before processing the withdrawal so that remaining investors are treated fairly. Prior notice of special distributions will not ordinarily be provided.

Distributions are automatically reinvested unless you instruct otherwise in the application form. If you do not nominate a bank account for payment of distributions, we will treat this as a request to reinvest your distributions. You may change your distribution option by notifying the Unit Registry in writing at least twenty (20) Business Days prior to the relevant distribution date.

Distributions are generally assessable income and can be made up of both income and realised capital gains, and will vary depending on the factors that influence the performance of the Fund (such as interest rates and market conditions) and may not be paid at all. Please refer to Section 12 in this PDS for further information.

Distributions are calculated in accordance with the Fund's constitution. Undistributed gains accrue in the unit price of the Fund during the relevant distribution period.

This means that if an investment is made just before the end of a distribution period, you may receive some of the investment back immediately as distribution income.

Immediately following a distribution the Fund's unit price will usually fall because the income and realised gains accumulated during the distribution period have been distributed. Distributions may include a part return of capital. Details will be provided in the investor's annual tax statement.



# Section 11

## Investing in The Fund

### APPLICATIONS

#### MINIMUM INITIAL INVESTMENT

The minimum initial investment is \$25,000. Perpetual may in its discretion raise or lower the minimum initial investment amount.

#### MINIMUM ADDITIONAL INVESTMENT

The minimum amount for additional investments is \$10,000, subject to Perpetual's discretion to accept a lower amount.

#### APPLICATION ACCEPTANCES

Applications are accepted (in whole or in part) at the absolute discretion of Perpetual. Rejected, invalid or incomplete applications will be returned to applicants as soon as possible. Interest is not payable on rejected application monies.

Please note that application monies cannot be accepted from overseas bank accounts.

#### APPLICATION PROCESS AND CUT-OFF TIMES

Applications can be made online at <https://boardroomlimited.com.au/regal/start> or alternatively by sending the completed Application Form attached to this PDS to the Unit Registry, together with the required documents for the relevant investor type and remitting the application monies.

An application is taken to be received if we consider you have:

- Correctly completed online application or the paper-based Application Form;
- Provided us with the relevant identification documents as required by the online application or the paper-based Application Form; and
- Remitted the application monies (in cleared funds) as stated in your online application or the paper-based Application Form. The time it takes for application money to clear varies depending on how you transfer the money and your bank. At times, this may take up to four Business Days.

If you are using the paper-based Application Form, you can send a copy of the original executed and completed Application Form to the Unit Registry by email at [regal.funds@boardroomlimited.com.au](mailto:regal.funds@boardroomlimited.com.au) or fax 02 9252 1987. However, applications may be refused if the Unit Registry has not received a properly completed original.

The cut-off time for receipt of an application is 12 noon on a Business Day. If the application is accepted, it will be processed with the unit price effective for that Business Day. Applications received after this cut-off time will be treated as being received on the following Business Day.

Application monies must be made in Australian Dollars by either funds transfer or direct credit into the following application account:

<b>BSB</b>	332-027
<b>Account Number</b>	555540668
<b>Account Name</b>	Boardroom Pty Limited itf Regal Long Short Australian Equity Fund Application Account
<b>Bank</b>	St George Bank

Units will not be issued unless and until the relevant application monies have been received as cleared funds.

Any interest earned on application money will not be credited in favour of the applicant and will be retained by Perpetual for the Fund.

Subsequent additional investments may be effected by completing the online application or a paper based additional application form and sending this to us as above.

## INVESTING THROUGH AN IDPS

Investors seeking access to the Fund via an Investor Directed Portfolio Service, or IDPS-like schemes including master trusts and wrap accounts ('IDPS') do not themselves become investors in the Fund, and generally have no rights as a unitholder ('Indirect Investors'). If you are an Indirect Investor, generally, the relevant scheme operator acquires the rights of a unitholder. The rights and liabilities of Indirect Investors are set out in the IDPS Guide or other offer document for the relevant IDPS, which you should read carefully prior to directing the relevant operator to invest in the Fund. The complaints procedure is available to Indirect Investors.

Indirect Investors complete application forms for the IDPS, not the Fund, and receive reports from their operator. Inquiries should be directed to that operator or your financial adviser.

Perpetual authorises the use of this PDS as disclosure to Indirect Investors, who may rely on the information contained in this PDS when instructing IDPS operators to invest in the Fund on their behalf. Perpetual accepts no responsibility where the IDPS operator does not provide Indirect Investors with a current version of this PDS or any supplementary or replacement PDS.

Minimum investment and withdrawal requirements in this PDS may not always be relevant to Indirect Investors because the IDPS operator may invest on behalf of a number of Indirect Investors. Indirect Investors will also incur the fees and expenses applicable to the IDPS, as well as the Fund's fees and expenses. The tax information in this PDS does not specifically cater for Indirect Investors.

## COOLING-OFF PERIOD

Investors can change their mind within a 14-day period of their initial investment. The 14-day period commences on the earlier of either the date you receive confirmation of your investment or the end of the 5th Business Day after the day on which Perpetual issues the units to you. The realised market value of the units will be refunded, less any taxes and reasonable administrative costs.

The proceeds refunded may be less or greater than the amount invested, since units in the Fund are subject to market movement from the time they are acquired.

Cooling-off rights will not apply to 'wholesale' clients as defined by the Corporations Act or in certain limited situations, such as if the issue is made under a distribution reinvestment plan, where the Fund is illiquid or where an issue represents additional contributions required under an existing agreement.

Also, cooling-off rights do not apply in respect of any investment acquired through an IDPS. However, Indirect Investors should contact their operator and read the operator's offer document for more information on any cooling off rights that may apply in relation to the relevant IDPS.

## WITHDRAWALS

### MINIMUM WITHDRAWAL

The minimum withdrawal is \$10,000 (or such lesser amount as Perpetual may determine). A requested partial withdrawal which would cause the investor's investment to fall below the minimum holding of \$25,000 (or such lesser amount as Perpetual may determine) will not be permitted.

### WITHDRAWAL PROCESSES AND CUT-OFF TIMES

Investors may redeem all or part of their investments in the Fund by notifying the Unit Registry in writing. A withdrawal request must be signed by the unitholder or the authorised signatories. The signed original of the request for withdrawal must be sent to the Unit Registry.

#### **Original instructions should be mailed to:**

##### **Perpetual Trust Services Limited**

C/- Boardroom Pty Limited  
GPO Box 3993 Sydney NSW 2001  
Attention: Unlisted Fund Services (Regal Funds Management)  
Fax: +61 2 9252 1987

Withdrawal requests are processed daily. A properly executed withdrawal request received by 12 noon on a Business Day by the Unit Registry will receive the unit price effective that Business Day. If the request is received after 12 noon, it will be treated as a request for withdrawal received on the next Business Day. Perpetual may in its discretion allow withdrawal at other times if it is considered to be in the best interests of remaining unitholders.

Withdrawals will generally be paid within 10 business days after the Unit Registry receives a properly completed original withdrawal request. Proceeds from withdrawals will be electronically credited to your bank account. Note that normal bank charges apply.

Please note that these times are a guide only and as specified in the Fund's constitution, we may take up to 45 days to process your withdrawal request.

## **RESTRICTIONS ON WITHDRAWALS**

Perpetual may, under the constitution, suspend or delay withdrawals in certain prescribed cases, including where any of the following occur:

- the Fund is illiquid (as defined by the Corporations Act);
- where large withdrawal requests are received on a Business Day;
- Perpetual has taken all reasonable steps to realise sufficient Fund assets to satisfy a withdrawal request and is unable to do so;
- Perpetual is unable to calculate the withdrawal price or to fairly determine the net asset value due to one or more circumstances outside its control; or
- Perpetual otherwise determines that it is in the best interests of unitholders to extend the period.

If the Fund is illiquid, withdrawals from the Fund will only be possible if we make a withdrawal offer in accordance with the Corporations Act. You will only be able to withdraw on the terms of any such current withdrawal offer which we are not required to make unless we have so determined.

Investors will be notified of any material change to the withdrawal rights in writing. In addition, we will post a notice on our website should a material change occur.

For further details on the circumstance where Perpetual may delay or suspend withdrawals, please contact Perpetual or refer to the Fund's constitution, a copy of which is available free of charge by contacting Perpetual.

## **FACSIMILE ARRANGEMENTS**

Paper based application forms and withdrawal requests may be initially sent by facsimile. However, the original signed form must also be sent to the Unit Registry. Applications may be refused and payment of withdrawal proceeds will not be made until after the Unit Registry's receipt of the original request (unless the facsimile request is from an IDPS operator, subject to our discretion).

### **Fax Instructions should be forwarded to:**

#### **Perpetual Trust Services Limited**

C/- Boardroom Pty Ltd

Attention: Unlisted Fund Services (Regal Funds Management)

Fax: (02) 9252 1987

If you choose to send requests by facsimile, you bear the risk of such requests not being received. None of the Unit Registry, Perpetual, Regal, or their duly appointed agents will be responsible or liable for any loss caused as a result of non-receipt or illegibility of any application, contribution or withdrawal request sent by facsimile or for any loss caused in respect of any action taken (or inaction) as a consequence of such facsimile instructions believed in good faith to have originated from properly authorised persons.

Perpetual reserves the right to add additional requirements to the facsimile arrangements at any time.

# Section 12

## Taxation

There are tax implications when investing, withdrawing and receiving income from the Fund. Perpetual cannot give tax advice and we recommend that you consult your professional tax adviser as the tax implications for the Fund can impact investors differently. Below is a general outline of some key tax considerations for Australian resident investors. This information is based on our current interpretation of the relevant taxation laws. As such, investors should not place reliance on this as a basis for making their decision as to whether to invest.

Income earned by the Fund, whether distributed or reinvested, can form part of the assessable income for investors in the year of entitlement.

At the end of the Fund's tax year we will send to you the details of assessable income, capital gains, tax credits and any other relevant tax information to include in your tax return.

The Fund will seek to pass on any benefits of franking credits in respect of distributions including franked dividends from the Fund. Investors receiving distributions including franked dividends will be required to include their share of dividend income and franking credits in their assessable income.

The Fund has elected to become an Attribution Managed Investment Trust (AMIT) from the year commencing 1 July 2017. As an AMIT, all determined trust components of each particular category or character (i.e. relating to assessable income, exempt income, non-assessable non-exempt income and tax offsets) are attributed to members on a fair and reasonable basis in accordance with the Fund's constitution each year so that the Fund itself is not subject to tax. As an investor you will be assessed for tax on your attributed share of the Fund's taxable income, including any net capital gains.

### CAPITAL GAINS TAX

Your assessable income for each year includes net capital gains (i.e. after offsetting capital losses). The two sources of capital gains tax are:

- a component of the distribution made to investors from the Fund; and
- withdrawing units from the Fund.

Individuals, trusts and complying superannuation entities may be eligible for partial capital gains tax exemptions in relation to the disposal of units and the capital gains portion of distributions where they have held the units for at least twelve (12) months.

### GOODS AND SERVICES TAX (GST)

The application for, and withdrawal of, units in the Fund and the receipt of distributions will not be subject to GST. However, GST is payable on our fees and certain reimbursement of expenses. The Fund may be entitled to claim reduced input tax credits (RITCs) for GST paid in respect to some of these expenses. The benefit to investors of any RITCs will be reflected in the unit price.

Unless otherwise stated, all fees quoted in this PDS are quoted on a GST inclusive basis and net of any applicable RITCs.

### FOREIGN TAX CREDITS

Australian residents are required to include in their assessable income their share of any foreign taxes paid by the Fund. Investors will normally be entitled to a tax credit for foreign taxes paid by the Fund.

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

It is not compulsory for investors to provide their TFN or ABN, and it is not an offence if they decline to provide them. However, unless exempted, if they are not provided, tax will be deducted from income distributions at the highest personal marginal rate plus the Medicare levy. The ABN, TFN or an appropriate exemption can be provided on the application form when making an initial investment.

## **TAXATION OF FINANCIAL ARRANGEMENTS (TOFA)**

Generally, TOFA applies to the classification of gains and losses from financial arrangements and how they are recognised for income tax purposes.

Generally, investors are not directly subject to TOFA unless they have elected for the TOFA rules to apply. Regardless of this, you should seek your own advice in relation to the applicability of TOFA as it applies to your particular circumstances.

## **FOREIGN ACCOUNT TAX COMPLIANCE ACT (FATCA), THE COMMON REPORTING STANDARD (CRS) AND OTHER SIMILAR REGIMES**

The United States of America has introduced rules (known as FATCA) which are intended to prevent US persons from avoiding tax. The Common Reporting Standard (CRS) is a standardised set of information sharing rules which have been developed by the OECD with the aim of preventing tax evasion in other participating jurisdictions. Australia has enacted legislation to implement FATCA and the CRS in Australia.

Broadly, the FATCA and CRS rules may require the Fund to report certain information to the Australian Taxation Office (ATO), which may then pass the information on to the relevant foreign tax authorities. If you do not provide this information, we will not be able to process your application.

In order to comply with these obligations, Perpetual will:

- collect certain information about you and undertake certain due diligence procedures to verify your FATCA and CRS status; and
- provide information to the ATO in relation to your financial information required by the ATO (if any) in respect of any investment in the Fund.

Any unit holder who does not provide information requested by Regal for FATCA or CRS purposes, or for the purposes of any similar regime, is subject to a compulsory redemption of their units. In addition, if you do not provide us with the required information for FATCA or CRS compliance, Perpetual may be required to report your account details to the appropriate local tax authority such as the ATO.

# Section 13

## Additional Information

### CONTINUOUS DISCLOSURE

The Fund may become a 'disclosing entity' under the Corporations Act. When that occurs, the Fund will be subject to regular reporting and disclosure obligations. Copies of documents lodged with ASIC may be obtained from or inspected at, an ASIC office and are available on our website.

In addition, investors will have the right to obtain a copy of the following documents:

- the annual financial report most recently lodged with ASIC;
- any half yearly financial report lodged with ASIC after the lodgement of the annual financial report and before the date of this PDS; and
- any continuous disclosure notices given by the Fund after lodgement of the annual financial report and before the date of this PDS. If required, we intend to arrange for continuous disclosure notices to be posted on Regal's website. Regal's website address is <http://www.regalfm.com>.

### TRANSFER OF UNITS

Please contact the Unit Registry if you would like to transfer units. Transferring units may have tax implications and you should consult your taxation adviser before you arrange any transfer of units. Perpetual may in its discretion refuse to register any transfer of units and is not required to give any reasons. Where Perpetual refuses to register a transfer, it may redeem those units in accordance with the Fund's constitution.

### REGISTER OF UNIT HOLDERS

The register of unit holders is maintained by the Unit Registry.

### COMPLAINTS RESOLUTION

The Responsible Entity has established procedures for dealing with complaints. If an investor has a complaint, they can contact the Responsible Entity and/or the Investment Manager during business hours, using contact details provided in the PDS.

We will endeavour to resolve your complaint fairly and as quickly as we can and in any event not later than 30 days for standard complaints. Other type of complaints and complex complaints may have a different maximum response timeframe. We will let you know if a different maximum response timeframe will apply to your complaint. If an investor is not satisfied with the outcome, the complaint can be referred to the Australian Financial Complaints Authority (AFCA). AFCA operates the external complaints resolution scheme of which the Responsible Entity is a member. If you seek assistance from AFCA, their services are provided at no cost to you. You can contact AFCA on 1800 931 678, or by writing to:

#### **Australian Financial Complaints Authority**

GPO Box 3  
Melbourne VIC 3001  
Email: [info@afca.org.au](mailto:info@afca.org.au)  
Website: [www.afca.org.au](http://www.afca.org.au)

All investors (regardless of whether you hold units in the Fund directly or hold units indirectly through an IDPS such as a wrap platform) can access Perpetual's complaints procedures outlined above. If investing through an IDPS such as a wrap platform and your complaint concerns the operation of the platform then you should contact the platform operator directly.

## RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST

Subject to the constitution of the Fund, we may appoint any of our related bodies corporate to provide services or perform functions in relation to the Fund, including acting as our delegate. We may also enter into financial or other transactions with related bodies corporate in relation to the assets of the Fund, and may sell assets of the Fund to, or purchase for the Fund assets from, a related body corporate.

A related body corporate entity is entitled to earn fees, commissions or other benefits in relation to any such appointment or transaction and to retain them for its own account. Such arrangements will be based on arm's length commercial terms.

We may face conflicts in respect of our duties in relation to the Fund, related funds and our own interests. Perpetual has policies and procedures in place to manage these conflicts through either controlling, avoiding or disclosing the conflict. Perpetual must resolve such conflicts fairly and in accordance with the law and its policies. Compliance with the law and conflicts policies is monitored by Perpetual, when required reported to the Perpetual board and Compliance Committee.

Conflicts of interest exist in the structure and operation of the Underlying Fund's business: Regal serves as the investment manager or investment advisor to other client accounts, and Regal's compensation for managing the other client accounts may be more than its compensation for managing the Underlying Fund, thus providing an incentive to focus its efforts on such other client accounts. Such other clients may have investment objectives or may implement investment strategies similar to those of the Underlying Fund.

Regal also acts as Investment Manager for both the Fund and the Underlying Fund. Conflicts of interest exist where the interests of these separate vehicles are not aligned. Regal has sought to mitigate this risk by instituting a standing instruction to invest in the Underlying Fund on a consistent basis.

Regal may also give advice or take action with respect to the other clients that differs from the advice given with respect to the Underlying Fund. To the extent a particular investment is suitable for both the Underlying Fund and the other clients, such investments will be allocated, under normal conditions, between the Underlying Fund and the other clients in a fair and equitable manner taking into account applicable laws and regulations and the surrounding circumstances, including the risk profile, investment objective and guidelines of the Underlying Fund and the other client accounts. From the standpoint of the Underlying Fund, simultaneous identical portfolio transactions for the Underlying Fund and the other clients may tend to decrease the prices received and increase the prices required to be paid by the Underlying Fund, respectively, for its portfolio sales and purchases.

Where less than the maximum desired number of shares of a particular security to be purchased or sold is available at a favourable price, the shares purchased or sold will be allocated among the Underlying Fund and the other clients in an equitable manner.

The Underlying Fund may participate in transactions in which the Investment Manager and/or its officers, employees, directors or affiliates are, directly or indirectly, interested. In connection with such transactions, the Underlying Fund, on the one hand, and the Investment Manager and/or its officers, employees, directors or affiliates, on the other, may have conflicting interests.

Directors, shareholders, officers and employees of the Investment Manager may engage, from time to time, in personal trading of securities and other instruments, including securities and instruments in which the Underlying Fund may invest. The Investment Manager has implemented personal trading compliance policies, approval procedures and restrictions to monitor personal trading, manage conflicts of interest and give precedence to the interests of the Underlying Fund and clients. These policies and procedures apply to all executive directors, officers, employees (including contractors and secondees) of the Investment Manager

The Investment Manager or its affiliates may manage separate managed accounts or dedicated investment vehicles for investors that pursue strategies similar to, or that overlap with, those of the Underlying Fund. These clients may have access to detailed information about their accounts, including current portfolio holdings, which the Investment Manager or its affiliates do not customarily make available to investors in the Fund, the Underlying Fund or other pooled investment vehicles. Such clients may be able to take action, including more timely action, with respect to their accounts that investors in pooled vehicles with similar or parallel strategies cannot take.

In addition, purchase and sale transactions (including swaps) may be effected between the Underlying Fund and other clients for cash consideration at the current market price of the particular securities.

As a result of the foregoing, Regal may have conflicts of interest in allocating its time and activities between the Fund, the Underlying Fund and the other clients, in allocating investments among the Underlying Fund and the other clients, in investing the Fund's assets in the Underlying Fund and in effecting transactions between the Underlying Fund and the other clients.

## COMPLIANCE COMMITTEE AND COMPLIANCE PLAN

The Fund has a Compliance Plan which has been lodged with ASIC. It sets out measures that Perpetual is to apply in operating the Fund to ensure compliance with the Fund's constitution and the Corporations Act. A Compliance Committee has been appointed to monitor compliance by Perpetual with the Fund's constitution and Compliance Plan. A copy of the Compliance Plan is available free of charge on request by contacting Perpetual.

## ADVISER ENQUIRIES

If you have an adviser, they may ask Perpetual to provide them with information about your investment. Perpetual's policy is to supply this information, unless you have issued instructions in writing not to do so. If you change your adviser, please provide your new adviser's details in writing so that your details are updated accordingly.

## CONSENTS

Each of Regal, the Prime Brokers, and the Unit Registry, the Administrator and Custodian and Ernst & Young:

- has made no statement included in this PDS or on which a statement made in this PDS is based, other than the details about it, and the other sentences in this PDS that refer to it (in the case of Regal, this includes statements and information in relation to the investment strategy of the Underlying Fund and the entirety of section 4);
- has consented to those statements being included in this PDS in the form and context in which they appear and has not withdrawn this consent before the date of this PDS;
- specifically disclaims responsibility for, and liability to any person in the event of, any omission from, or any false or misleading statement included in, any other part of this PDS; and
- has not authorised or caused the issue of any part of this PDS.

## ANTI-MONEY LAUNDERING (AML) / COUNTER TERRORISM FINANCING (CTF)

The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 ("AML Act") and other applicable anti-money laundering and counter terrorism laws, regulations, rules and policies which apply to Perpetual ("AML Requirements"), regulate financial services and transactions in a way that is designed to detect and prevent money laundering and terrorism financing. The AML Act is enforced by the Australian Transaction Reports and Analysis Centre (AUSTRAC). In order to comply with the AML Requirements, Perpetual is required to, amongst other things:

- verify your identity and source of your application monies before providing services to you, and to re-identify you if they consider it necessary to do so; and
- where you supply documentation relating to the verification of your identity, keep a record of this documentation for 7 years.

Perpetual and the Unit Registry as its agent (collectively "the Entities") reserve the right to request such information as is necessary to verify the identity of an Investor and the source of the payment. In the event of delay or failure by the investor to produce this information, the Entities may refuse to accept an application and the application monies relating to such application or may suspend the payment of withdrawal proceeds if necessary to comply with AML Requirements applicable to them. Neither the Entities nor their delegates shall be liable to the investor for any loss suffered by the investor as a result of the rejection or delay of any subscription or payment of withdrawal proceeds.

The Entities have implemented a number of measures and controls to ensure they comply with their obligations under the AML Requirements, including carefully identifying and monitoring investors. As a result of the implementation of these measures and controls:

- transactions may be delayed, blocked, frozen or refused where an Entity has reasonable grounds to believe that the transaction breaches the law or sanctions of Australia or any other country, including the AML Requirements;
- where transactions are delayed, blocked, frozen or refused the Entities are not liable for any loss you suffer (including consequential loss) caused by reason of any action taken or not taken by them as contemplated above, or as a result of their compliance with the AML Requirements as they apply to the Fund; and
- Perpetual or the Unit Registry may from time to time require additional information from you to assist it in this process.



The Entities have certain reporting obligations under the AML Requirements and are prevented from informing you that any such reporting has taken place. Where required by law, an entity may disclose the information gathered to regulatory or law enforcement agencies, including AUSTRAC. The Entities are not liable for any loss you may suffer as a result of our compliance with the AML Requirements.

## PRIVACY STATEMENT

### DIRECT INVESTORS

The Responsible Entity may collect personal information from you in the application and any other relevant forms to be able to process your application, administer your investment and comply with any relevant laws. If you do not provide us with your relevant personal information, we will not be able to do so. In some circumstances we may disclose your personal information to the Responsible Entity's related entities or service providers that perform a range of services on our behalf and which may be located overseas.

Privacy laws apply to our handling of personal information and we will collect, use and disclose your personal information in accordance with our privacy policy, which includes details about the following matters:

- the kinds of personal information the Responsible Entity collects and holds;
- how the Responsible Entity collects and holds personal information;
- the purposes for which the Responsible Entity collects, holds, uses and discloses personal information;
- how you may access personal information that the Responsible Entity holds about you and seek correction of such information (note that exceptions apply in some circumstances);
- how you may complain about a breach of the Australian Privacy Principles (APP), or a registered APP code (if any) that binds the Responsible Entity, and how we will deal with such a complaint; and
- whether the Responsible Entity is likely to disclose personal information to overseas recipients and, if so, the countries in which such recipients are likely to be located if it is practicable for the Responsible Entity to specify those countries.

The privacy policy of the Responsible Entity is publicly available at our website at [www.perpetual.com.au](http://www.perpetual.com.au) or you can obtain a copy free of charge by contacting the Responsible Entity. A copy of Regal's privacy policy is publicly available at [www.regalfm.com](http://www.regalfm.com).

### INDIRECT INVESTORS

If you are investing indirectly through a IDPS, we do not collect or hold your personal information in connection with your investment in the Fund. Please contact your operator for more information about their privacy policy.

### YOUR AUTHORITY

By signing the Application Form, you authorise the collection, maintenance, use and disclosure of your personal information in the manner set out in this privacy statement.

By completing the Application Form attached to this PDS on behalf of another person, you undertake to provide a copy of this privacy statement to the principal, company officer or partner that you represent.

# Section 14

## Terms used in this PDS

TERM	MEANS
<b>Administrator, Custodian, HSBC</b>	The Hongkong and Shanghai Banking Corporation Limited, Sydney Branch
<b>ASIC</b>	The Australian Securities and Investments Commission
<b>Benchmark</b>	S&P/ASX 300 Accumulation Index
<b>Business Day</b>	Unless the Responsible Entity decides otherwise, a day on which banks are open for business in Sydney, except a Saturday, Sunday or public holiday
<b>Corporations Act</b>	<i>Corporations Act 2001 (Cth)</i>
<b>Dollars or \$</b>	Australian dollars, unless otherwise specified
<b>Fund</b>	Regal Long Short Australian Equity Fund ARSN 149 722 654
<b>Hurdle</b>	The Hurdle is the S&P/ASX 300 Accumulation Index return plus the Management Fee for that day.
<b>IDPS</b>	Investor Directed Portfolio Service. References to IDPS includes IDPS-like facilities like master funds and wrap services
<b>Indirect Investors</b>	Investors who access the Fund's strategy via investment in an IDPS.
<b>Investment Management Agreement</b>	The investment management agreement between Perpetual and Regal dated 28 January 2015 pursuant to which Regal is appointed as investment manager of the Fund, as may be amended from time to time.
<b>Investment Manager, Regal</b>	Regal Funds Management Pty Limited ABN 30 107 576 821 AFSL 277 737
<b>NAV</b>	The Net Asset Value ('NAV') is the value of the assets less the value of the liabilities of the Fund or the Underlying Fund, as the context may require.
<b>PDS</b>	Product Disclosure Statement
<b>Underlying Fund</b>	Regal Australian Long Short Equity Fund
<b>Unit Registry, Boardroom</b>	Boardroom Pty Ltd ABN 14 003 209 836, a company incorporated in Australia, having its registered office at Level 12, 225 George Street, Sydney NSW 2000

TERM	MEANS
<b>You, your</b>	Investors (and, when the context requires, potential investors) in the Fund
<b>We, our, us, Perpetual, Responsible Entity</b>	Perpetual Trust Services Limited ABN 48 000 142 049 AFSL 236648

#### RESPONSIBLE ENTITY

##### **Perpetual Trust Services Limited**

Level 18, 123 Pitt Street  
Sydney NSW 2000  
P: (02) 9229 9000  
W: [www.perpetual.com.au](http://www.perpetual.com.au)

#### INVESTMENT MANAGER

##### **Regal Funds Management Pty Ltd**

Level 47, Gateway  
1 Macquarie Place  
Sydney NSW 2000  
P: (02) 8197 4333  
F: (02) 8197 4334  
W: [www.regalfm.com](http://www.regalfm.com)

#### CUSTODIAN AND ADMINISTRATOR

##### **Hongkong Shanghai Banking Corporation, Sydney Branch**

HSBC Security Services Australia  
Level 3, 10 Smith Street  
Parramatta NSW 2150  
W: [www.hsbc.com.au](http://www.hsbc.com.au)

#### LAWYERS

##### **Ernst & Young Australia**

200 George Street  
Sydney NSW 2000  
P: (02) 9248 5555

#### AUDITOR

##### **PricewaterhouseCoopers**

One International Towers  
Watermans Quay, Barangaroo,  
Sydney NSW 2000  
P: (02) 8266 0000  
W: [www.pwc.com.au](http://www.pwc.com.au)

#### UNIT REGISTRY

##### **Boardroom Pty Ltd**

Level 12, 225 George Street  
Sydney NSW 2000  
P: 1300 737 760 (in Australia)  
+61 2 9290 9600 (International)  
F: 02 9252 1987

# Initial Application Form

**PERPETUAL TRUST SERVICES LIMITED ABN 48 000 142 049**  
**REGAL LONG SHORT AUSTRALIAN EQUITY FUND ARSN 149 722 654**

This Initial Application Form relates to a Product Disclosure Statement dated 18 March 2022 ("PDS") issued by Perpetual Trust Services Limited ABN 48 000 142 049, AFSL 236648, for the offer of units in the Regal Long Short Australian Equity Fund ("Fund"). Terms defined in the PDS have the same meaning in this Initial Application Form. The PDS contains important information about investing in the Fund, and you are advised to read the PDS before completing this Initial Application Form.

If you are an existing Unitholder(s) and this is an additional investment, please use the Additional Investment Form.

If you are a new investor, or if you are an existing Unitholder(s) and this investment is NOT in the same name(s) and fund as your existing account, please complete the sections of this Initial Application Form and the identification Forms noted below in Section 1. If you have not been provided with the identification form with this application you can obtain this at <https://www.regalfm.com/site/our-funds/australian-retail-investors/regal-long-short-australian-equity-fund>

## 1. INVESTOR TYPE

INVESTOR TYPE		COMPLETE SECTIONS	PLEASE COMPLETE THE REQUIRED IDENTIFICATION FORM AND PROVIDE CERTIFIED COPIES OF THE IDENTIFICATION REQUESTED ON THE IDENTIFICATION FORM
<input type="checkbox"/> <b>INDIVIDUAL AND JOINT INVESTORS</b>	A natural person or persons.	2,4,5,6 & 7	Form A - Individuals.
<input type="checkbox"/> <b>SOLE TRADER</b>	A natural person operating a business under their own name with a registered business name.	3,4,5,6 & 7	Form A - Individuals.
<input type="checkbox"/> <b>COMPANIES</b>	A company registered as an Australian public company or an Australian proprietary company, or a foreign company.	3,4,5,6 & 7	For a Company complete the relevant form based on company type either Forms B or C. All Beneficial Owners named on Form B or C must complete Form A.
<input type="checkbox"/> <b>TRUSTS</b>	Types of trusts include self-managed superannuation funds, registered managed investment schemes, unregistered wholesale managed investment schemes, government superannuation funds or other trusts (such as family trusts and charitable trusts).	3,4,5,6 & 7	For the Trust complete either Form D or E; and For an Individual Trustee complete Form A; or For a Company Trustee complete Form B or C All Beneficial Owners named on Forms B, C or E must be complete Form A.
<input type="checkbox"/> <b>PARTNERSHIP</b>	A partnership created under a partnership agreement.	3,4,5,6 & 7	For the Partnership please complete Form F All Beneficial Owners named on Form F must complete Form A.

INVESTOR TYPE		COMPLETE SECTIONS	PLEASE COMPLETE THE REQUIRED IDENTIFICATION FORM AND PROVIDE CERTIFIED COPIES OF THE IDENTIFICATION REQUESTED ON THE IDENTIFICATION FORM
<input type="checkbox"/> <b>ASSOCIATIONS</b>	Incorporated associations are associations registered under State or Territory based incorporated association statutes. Unincorporated associations are those of persons who are not registered under an incorporated associations statute and thus do not have the legal capacity to enter into agreements.	3,4,5,6 & 7	For the Association please complete Form G. All Beneficial Owners named on Form G must complete Form A.
<input type="checkbox"/> <b>REGISTERED CO-OPERATIVE</b>	An autonomous association of persons united voluntarily to meet common economic, social and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise registered under a registry system maintained by a State or Territory. This investor type can include agricultural businesses such as a dairy co-operative.	3,4,5,6 & 7	For the Registered co-operative please complete Form H. All Beneficial Owners named on Form H must complete Form A.
<input type="checkbox"/> <b>GOVERNMENT BODY</b>	The government of a country, an agency or authority of the government of a country, the government of part of a country or an agency or authority of the government of part of a country.	3,4,5,6 & 7	For a Government body please complete Form I. All Beneficial Owners named on Form I must complete Form A.

## 2. INDIVIDUALS AND JOINT ACCOUNT HOLDERS INVESTOR DETAILS

	APPLICANT 1	APPLICANT 2 (IF APPLICABLE)
<b>INVESTOR TYPE:</b>	<input type="checkbox"/> Individual	<input type="checkbox"/> Individual
<b>TITLE:</b>		
<b>GIVEN NAME:</b>		
<b>SURNAME:</b>		
<b>OCCUPATION:</b>		
<b>AUSTRALIAN TAX FILE NUMBER:</b>		
<b>RESIDENTIAL ADDRESS:</b>		
<b>STREET ADDRESS 1:</b>		
<b>STREET ADDRESS 2:</b>		
<b>SUBURB:</b>		
<b>STATE:</b>		
<b>POSTCODE:</b>		
<b>COUNTRY:</b>		

	APPLICANT 1	APPLICANT 2 (IF APPLICABLE)
POSTAL ADDRESS IF DIFFERENT TO RESIDENTIAL ADDRESS:		
STREET ADDRESS 1:		
STREET ADDRESS 2:		
SUBURB:		
STATE:		
POSTCODE:		
COUNTRY:		
PHONE NUMBER (BUSINESS HOURS):		
PHONE NUMBER (NON-BUSINESS HOURS):		
MOBILE NUMBER:		
EMAIL ADDRESS:		

### 3. ALL OTHER ACCOUNT HOLDERS INVESTOR DETAILS

INVESTOR TYPE:	<input type="checkbox"/> Company <input type="checkbox"/> Sole Trader <input type="checkbox"/> Trust <input type="checkbox"/> Partnership <input type="checkbox"/> Association <input type="checkbox"/> Co-operative <input type="checkbox"/> Government Body <input type="checkbox"/> Other <input type="text"/>
FULL NAME OF COMPANY/ BUSINESS IF SOLE TRADER/ TRUST (INCLUDING TRUSTEE DETAILS) / PARTNERSHIP/ASSOCIATION/ COOPERATIVE/ GOVERNMENT BODY:	
TAX FILE NUMBER:	
ABN (IF APPLICABLE):	
PRINCIPLE BUSINESS ACTIVITY:	
ADDRESS:	
STREET ADDRESS 1:	
STREET ADDRESS 2:	
SUBURB:	
STATE:	
POSTCODE:	

PHONE NUMBER (BUSINESS HOURS):	
MOBILE NUMBER:	
FAX NUMBER:	
EMAIL ADDRESS:	

#### 4. AUTHORISED REPRESENTATIVE DETAILS

Complete this section if you wish to appoint a person to act in a legal capacity as your authorised representative and to operate your investment in the Fund on your behalf. In general, an authorised representative can do everything you can do with your investment, except appoint another authorised representative.

We may act on the sole instructions of the authorised representative until you advise us in writing that the appointment of your authorised representative has terminated. We may also terminate or vary an appointment of an authorised representative by giving you 14 days prior notice.

If an authorised representative is a partnership or a company, any one of the partners or any Director of the company is individually deemed to have the powers of the authorised representative.

Please attach a certified copy of your Power of Attorney.

For information on how to certify your document please refer to section 9 - Certifying Your Documents

GIVEN NAME:	
SURNAME:	
SIGNATURE OF AUTHORISED REPRESENTATIVE:	
DATE:	

#### 5. INVESTMENT DETAILS

PLEASE SPECIFY A CLASS IF APPLYING INTO A SPECIFIC CLASS (IF APPLICABLE):	
INVESTMENT AMOUNT: (SUBJECT TO MINIMUMS)	
SOURCE OF FUNDS BEING INVESTED (CHOOSE MOST RELEVANT):	<input type="checkbox"/> Retirement income <input type="checkbox"/> Employment income <input type="checkbox"/> Business activities <input type="checkbox"/> Sale of assets <input type="checkbox"/> Inheritance/gifts <input type="checkbox"/> Financial investments <input type="checkbox"/> Other (please specify) <input type="text"/>
PAYMENT METHOD:	<input type="checkbox"/> Direct Credit/Electronic Funds Transfer Account Name: Boardroom Pty Limited itf Regal Long Short Australian Equity Fund Application Account BSB: 332-027 Account number: 555540668 Bank: St George Bank

<b>DISTRIBUTION PAYMENT INSTRUCTIONS (CHOOSE ONE PAYMENT INSTRUCTION):</b>	
<input type="checkbox"/>	Please reinvest my distributions in the relevant Fund
<input type="checkbox"/>	Please pay my distributions directly to my nominated bank account
<b>YOUR DISTRIBUTION BANK ACCOUNT DETAILS:</b>	
<b>BANK:</b>	
<b>ACCOUNT NAME:</b>	
<b>BSB:</b>	
<b>ACCOUNT NUMBER:</b>	
<b>IF YOU WISH TO HAVE A SEPARATE BANK ACCOUNT FOR REDEMPTION PAYMENTS PLEASE FILL THE BELOW:</b>	
<b>YOUR REDEMPTION BANK ACCOUNT DETAILS:</b>	
<b>BANK:</b>	
<b>ACCOUNT NAME:</b>	
<b>BSB:</b>	
<b>ACCOUNT NUMBER:</b>	

## 6. DECLARATION

- (a) I/we declare and agree each of the following:
- (b) I/we have read the current PDS to which this application applies and have received and accepted the offer in it.
- (c) My/our application is true and correct.
- (d) I am/we are bound by any terms and conditions contained in the current PDS and the provisions of the constitution of the Fund as amended from time to time.
- (e) I/we have legal power to invest.
- (f) If this is a joint application, each of us agrees that our investment is as joint tenants. Each of us is able to operate the account and bind the other to any transaction including investments or withdrawals by any available method.
- (g) If investing as trustee on behalf of a super fund or trust, I/we confirm that I am/we are acting in accordance with my/our designated powers and authority under the relevant trust deed. In the case of a super fund, I/we also confirm that it is a complying fund under the Superannuation Industry (Supervision) Act 1993.
- (h) I/we acknowledge that none of Perpetual Trust Services Limited ABN 48 000 142 049 or any of their related entities, officers or employees or any related company or any of the appointed service providers including the investment manager and custodian guarantee the repayment of capital or the performance of the Fund or of any particular rate of return by the Fund.
- (i) I/we agree to the anti-money laundering and counter-terrorism financing statements contained in the PDS. I/we agree to provide further information or personal details to Perpetual Trust Services Limited and the custodian if required to meet their obligations under any anti-money laundering and counter-terrorism law and regulations, and acknowledge that processing of my/our application may be delayed and will be processed at the unit price applicable for the business day on which all required information has been received and verified.
- (j) I/we have read and understood the privacy disclosure as detailed in the PDS. I/we consent to my/our personal information being collected, held, used and disclosed in accordance with the privacy disclosure. I/we consent to Perpetual Trust Services Limited disclosing this information to my/our financial adviser (named in this form) for units in the Fund. Where the financial adviser no longer acts on my/our behalf, I/we will notify Perpetual Trust Services Limited of the change.
- (k) If I/we have appointed an authorised representative, I/we release, discharge and indemnify Perpetual Trust Services Limited from any loss, expense, action or other liability which may be suffered by, brought against me/us or Perpetual Trust Services Limited for any action or omissions by the authorised representative whether authorised by me/us or not.
- (l) If I/we have appointed a financial adviser, payment to the financial adviser of the amount stated in section 6, which includes any amounts invested under the Savings Plan.
- (m) I/we certify that the information provided in the separate ID forms, including information relating to tax-related requirements, is reasonable based on verifiable documentation.
- (n) Perpetual Trust Services Limited may be required to pass on my/our personal information or information about my/our investment to the relevant regulatory authorities, including for compliance with anti-Money laundering and counter-terrorism law and regulations as well as any tax-related requirements for tax residents of other countries.



## 7. SIGNATURES

Joint applicants must both sign, For Individual Trustee Trust/Superannuation Funds each individual Trustee must sign. For Corporate Trustee Trust/Superannuation Funds 2 Directors, a Director and Secretary or Sole Director must sign.

	APPLICANT 1	APPLICANT 2
SIGNATURE:		
FULL NAME:		
DATE:		
TICK CAPACITY (MANDATORY FOR COMPANIES):	<input type="checkbox"/> Sole Director and Company Secretary <input type="checkbox"/> Director <input type="checkbox"/> Secretary <input type="checkbox"/> Non-corporate trustee <input type="checkbox"/> Partner	<input type="checkbox"/> Director <input type="checkbox"/> Secretary <input type="checkbox"/> Non-corporate trustee <input type="checkbox"/> Partner

Post your original signed Initial Application Form, Identification Forms and certified copies of your identification required to:

**Boardroom Pty Limited**

**GPO Box 3993 Sydney NSW 2001**

**Attention: Unlisted Fund Services (Regal Funds Management)**

**Fax:** 02 9252 1987 (unlisted)

**Email:** [regal.funds@boardroomlimited.com.au](mailto:regal.funds@boardroomlimited.com.au)

**Please ensure that you have transferred your Application Monies**

## 8. DELIVERY OF COMMUNICATIONS

The Unit Registry will provide you with important notices and communications in relation to your investment such as confirmations of instructions, an annual transaction statement and taxation and distribution statements. The Unit Registry may be able to deliver some or all of these communications to you by email. Please indicate below how you prefer to receive these communications:

- ☐ **HARD COPY** (postal address supplied on this Subscription Agreement will be used); OR
- ☐ **EMAIL.** Please provide current email address. Multiple recipients can be accommodated if required.

CONTACT NAME:		
EMAIL:		

## 9. CERTIFYING YOUR DOCUMENTS

All documents must be provided in a certified copy format – in other words, a copy of the original document that has been certified by an eligible certifier.

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

Please note that we require the copy which was actually signed by the certifier (i.e. the original penned signature of the certifier).

**People who can certify documents or extracts are:**

- A lawyer, being a person who is enrolled on the roll of the Supreme Court of a State or Territory, or the High Court of Australia, as a legal practitioner (however described).
- A magistrate, a chief executive officer of a Commonwealth court or a judge, registrar or deputy registrar of a court.
- A Justice of the Peace or a notary public (for the purposes of the Statutory Declaration Regulations 1993).

- An agent of the Australian Postal Corporation (APC) who is in charge of, or a permanent employee of the APC with 2 or more years of continuous service who is employed in or an office supplying postal services to the public.
- A police officer or an Australian consular officer or an Australian diplomatic officer (under the Consular Fees Act 1955).
- An officer with 2 or more continuous years of service with one or more financial institutions (under the Statutory Declaration Regulations 1993).
- A finance company officer with 2 or more continuous years of service with one or more financial companies (under the Statutory Declaration Regulations 1993).
- An officer with, or authorised representative of, a holder of an Australian financial services licence, having 2 or more continuous years of service with one or more licensees.
- A member of the Institute of Chartered Accountants in Australia, CPA Australia or the National Institute of Accountants with 2 or more years of continuous membership.

# Additional Application Form

**REGAL**  
FUNDS MANAGEMENT

**PERPETUAL TRUST SERVICES LIMITED ABN 48 000 142 049**  
**REGAL LONG SHORT AUSTRALIAN EQUITY FUND ARSN 149 722 654**

This form is for existing investors only. If you are a new investor please use the Initial Application Form.

This Form relates to a Product Disclosure Statement dated 18 March 2022 ("PDS") issued by Perpetual Trust Services Limited ABN 48 000 142 049, AFSL 236648, for the offer of units in the Regal Long Short Australian Equity Fund ("Fund"). Terms defined in the PDS have the same meaning in this Additional Application Form. The PDS contains important information about investing in the Fund, and you are advised to read the PDS before completing this Additional Application Form.

<b>INVESTOR TYPE:</b>	
<b>ACCOUNT / INVESTOR NAME:</b>	

## 1. ADDITIONAL INVESTMENTS

<b>APPLICATION AMOUNT:</b>	\$
<b>PLEASE SPECIFY A CLASS IF APPLYING INTO A SPECIFIC CLASS (IF APPLICABLE):</b>	
<b>SOURCE OF FUNDS BEING INVESTED (CHOOSE MOST RELEVANT):</b>	<div><input type="checkbox"/> Retirement income</div> <div><input type="checkbox"/> Employment income</div> <div><input type="checkbox"/> Business activities</div> <div><input type="checkbox"/> Sale of assets</div> <div><input type="checkbox"/> Inheritance/gifts</div> <div><input type="checkbox"/> Financial investments</div> <div><input type="checkbox"/> Other (please specify)</div> <div></div>
<b>PAYMENT METHOD:</b>	<div><input type="checkbox"/> Direct Credit/Electronic Funds Transfer</div> <div>Account Name: Boardroom Pty Limited itf Regal Long Short Australian Equity Fund Application Account</div> <div>BSB: 332-027</div> <div>Account number: 555540668</div> <div>Bank: St George Bank</div>

## 2. DECLARATION

I/we declare and agree each of the following:

- I/we have read the current PDS and acknowledge this additional application request is subject to the terms and conditions set out in the current PDS.
- My/our application is true and correct.
- I am/we are bound by any terms and conditions contained in the current PDS and the provisions of the constitution of the Fund as amended from time to time.
- I/we have legal power to invest.
- If this is a joint application, each of us agrees that our investment is as joint tenants. Each of us is able to operate the account and bind the other to any transaction including investments or withdrawals by any available method.
- If investing as trustee on behalf of a super fund or trust, I/we confirm that I am/we are acting in accordance with my/our designated powers and authority under the relevant trust deed. In the case of a super fund, I/we also confirm that it is a complying fund under the Superannuation Industry (Supervision) Act 1993.
- I/we acknowledge that none of Perpetual Trust Services Limited ABN 48 000 142 049 or any of their related entities, officers or employees or any related company or any of the appointed service providers including the investment manager and custodian guarantee the repayment of capital or the performance of the Fund or of any particular rate of return by the Fund.
- I/we have read and understood the privacy disclosure as detailed in the current PDS. I/we consent to my/our personal information being collected, held, used and disclosed in accordance with the privacy disclosure. I/we consent to Perpetual Trust Services Limited disclosing this information to my/our financial adviser (named in this form) for units in the Fund. Where the financial adviser no longer acts on my/our behalf, I/we will notify Perpetual Trust Services Limited of the change.
- If I/we have appointed an authorised representative, I/we release, discharge and indemnify Perpetual Trust Services Limited from any loss, expense, action or other liability which may be suffered by, brought against me/us or Perpetual Trust Services Limited for any action or omissions by the authorised representative whether authorised by me/us or not.
- Perpetual Trust Services Limited and the Unit Registry may be required to pass on my/our personal information or information about my/our investment to the relevant regulatory authorities, including for compliance with anti-Money laundering and counter-terrorism law and regulations as well as any tax-related requirements for tax residents of other countries.

## 3. SIGNATURES

INVESTOR TYPE	WHO SHOULD SIGN
INDIVIDUAL	where the investment is in one name, the investor must sign
JOINT INVESTORS	where the investment is in more than one name, all investors must sign
COMPANY	two directors or a director and a company secretary must sign, unless you are a sole director and sole company secretary
TRUST	each trustee must sign or, if a corporate trustee, then as for a company
PARTNERSHIP	each partner
ASSOCIATION OR REGISTERED CO-OPERATIVE	each office bearer
GOVERNMENT BODY	relevant principal officer/authorized signatory
POWER OF ATTORNEY	if signed by the unit holder's attorney, the power of attorney must have been previously been provided. If not a certified copy of the power of attorney as well as a certified copy of the Power of Attorney's driver's license, passport or other photo identification which confirms the name, address and contains their signature must be attached to this form

	INVESTOR 1	INVESTOR 2
SIGNATURE:		
FULL NAME:		
DATE:		
TICK CAPACITY (MANDATORY FOR COMPANIES):	<input type="checkbox"/> Sole Director and Company Secretary <input type="checkbox"/> Director <input type="checkbox"/> Secretary <input type="checkbox"/> Non-corporate trustee <input type="checkbox"/> Partner	<input type="checkbox"/> Director <input type="checkbox"/> Secretary <input type="checkbox"/> Non-corporate trustee <input type="checkbox"/> Partner

Please send your signed form to:

**Boardroom Pty Limited**

**GPO Box 3993 Sydney NSW 2001**

**Attention: Unlisted Fund Services (Regal Funds Management)**

**Fax:** 02 9252 1987 (unlisted)

**Email:** [regal.funds@boardroomlimited.com.au](mailto:regal.funds@boardroomlimited.com.au)

# Withdrawal Form

**REGAL**  
FUNDS MANAGEMENT

**PERPETUAL TRUST SERVICES LIMITED ABN 48 000 142 049**  
**REGAL LONG SHORT AUSTRALIAN EQUITY FUND ARSN 149 722 654**

This Form relates to a Product Disclosure Statement dated 18 March 2022 ("PDS") issued by Perpetual Trust Services Limited ABN 48 000 142 049, AFSL 236648, for the offer of units in the Regal Long Short Australian Equity Fund ("Fund"). Terms defined in the PDS have the same meaning in this Additional Transactions Form. The PDS contains important information about investing in the Fund, and you are advised to read the PDS before completing this Additional Transactions Form.

<b>ACCOUNT NUMBER:</b>	
<b>ACCOUNT / INVESTOR NAME:</b>	

## 1. REDEMPTIONS / WITHDRAWAL

<b>WITHDRAWAL DATE (IF APPLICABLE):</b>		
<b>WITHDRAWAL AMOUNT:</b>	<input type="checkbox"/> In \$:	<input type="text"/>
	<input type="checkbox"/> In Units:	<input type="text"/>
<b>PAYMENT METHOD:</b>	<input type="checkbox"/> Pay to the existing bank account currently on file	
	<input type="checkbox"/> Pay to the bank account provided below (if you select this option you may be required to provide additional information to verify the new bank account details prior to payment)	
<b>YOUR BANK ACCOUNT DETAILS:</b>		
<b>BANK:</b>		
<b>ACCOUNT NAME:</b>		
<b>BSB:</b>		
<b>ACCOUNT NUMBER:</b>		

## 2. DECLARATION

I/we declare and agree each of the following:

- I/we have read the current PDS and acknowledge this withdrawal request is subject to the terms and conditions set out in the current PDS.
- To the maximum extent permitted by law, I/we release, discharge and indemnify Perpetual Trust Services Limited ABN 48 000 142 049 from and against all actions, proceedings, accounts, costs, expenses, charges, liabilities, claims and demands arising directly or indirectly as a result of instructions given in this form.
- My/our details in this form is true and correct.

### 3. SIGNATURES

INVESTOR TYPE	WHO SHOULD SIGN
INDIVIDUAL	where the investment is in one name, the investor must sign
JOINT INVESTORS	where the investment is in more than one name, all investors must sign
COMPANY	two directors or a director and a company secretary must sign, unless you are a sole director and sole company secretary
TRUST	each trustee must sign or, if a corporate trustee, then as for a company
PARTNERSHIP	each partner
ASSOCIATION OR REGISTERED CO-OPERATIVE	each office bearer
GOVERNMENT BODY	relevant principal officer/authorized signatory
POWER OF ATTORNEY	if signed by the unit holder's attorney, the power of attorney must have been previously been provided. If not a certified copy of the power of attorney as well as a certified copy of the Power of Attorney's driver's license, passport or other photo identification which confirms the name, address and contains their signature must be attached to this form

	INVESTOR 1	INVESTOR 2
SIGNATURE:		
FULL NAME:		
DATE:		
TICK CAPACITY (MANDATORY FOR COMPANIES):	<input type="checkbox"/> Sole Director and Company Secretary <input type="checkbox"/> Director <input type="checkbox"/> Secretary <input type="checkbox"/> Non-corporate trustee <input type="checkbox"/> Partner	<input type="checkbox"/> Director <input type="checkbox"/> Secretary <input type="checkbox"/> Non-corporate trustee <input type="checkbox"/> Partner

Please send your signed form to:

**Boardroom Pty Limited**  
**GPO Box 3993 Sydney NSW 2001**  
**Attention: Unlisted Fund Services (Regal Funds Management)**  
**Fax:** 02 9252 1987 (unlisted)  
**Email:** [regal.funds@boardroomlimited.com.au](mailto:regal.funds@boardroomlimited.com.au)