

Retail vs Wholesale Clients

Regal cannot accept retail clients into its wholesale Funds. The following is a summary of who is eligible to invest in a wholesale fund. You will need to provide proof that you fall within one of the categories listed below, when seeking advice on or applying for units in a Regal wholesale fund:

1. You are making an investment in the Fund of \$500,000 or more¹;
2. Before the units are issued, you give us a copy of a certificate (that is no more than 2 years old) by a qualified accountant stating that you have net assets of at least \$2.5 million or have gross income for each of the last 2 financial years of at least \$250,000. A person who meets this test may acquire the units through a company or trust that they control. In determining the assets or income of a person, you can count the assets or income of a company or trust that you control²;
3. You are acquiring your investment in the Fund for use in connection with a business which is not a small business³;
4. You hold an Australian financial services licence;
5. You are a body regulated by APRA;⁴
6. You are a trustee of a superannuation fund, ADF, PST or public sector superannuation scheme and the fund, trust or scheme has net assets of at least \$10 million;
7. You are a body registered under the *Financial Corporations Act 1974*;
8. You control at least \$10 million (including any amount held by an associate or under a trust that you manage);
9. You are a listed entity, or a related body corporate of a listed entity;
10. You are a public authority or instrumentality or agency of the Commonwealth, a State or Territory;⁵
11. You are a company or unincorporated body that:
 - a. Carries on a business of investment in financial products, interests in land or other investments; and
 - b. You invest funds received (directly or indirectly) following an offer or invitation to the public;
12. You are a foreign entity that, if established or incorporated in Australia, would be covered by one of the paragraphs of the definition of 'professional investor'⁶;
13. You are a related body corporate of a company that is a wholesale client under any of the above tests⁷;
14. Regal, being a financial services licensee, has reason to be satisfied that you have experience in using financial services and investing in financial products and provides you with a written statement to that effect, and you sign a written acknowledgement that you have not been provided with a PDS and Regal does not have any obligation to you as a retail client⁸.

¹ You will remain a wholesale client even if your interest subsequently falls below \$500,000 (Corporations Regulation 7.1.27)

² See Corporations Regulations 7.1.28, 7.6.02AB and 7.6.02AC

³ A small business is a business that manufactures goods and employs fewer than 100 people or any other kind of business that employs fewer than 20 people (see section 761G(7)(b) and (12) of the *Corporations Act 2001*)

⁴ A bank, general insurance company, life company, credit union or friendly society

⁵ Section 761G(7)d and paragraph (g) of the definition of *professional investor* and definition of *exempt public authority* in section 9 of the *Corporations Act 2001*

⁶ See definition of *professional investor* in section 9 of the *Corporations Act 2001*

⁷ See section 761G(4A) inserted by regulation 7.6.02AD

⁸ Section 761GA of the *Corporations Act 2001*