



LONGREACH  
CAI

## Additional Information Guide

# CAI Australian Share Fund

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### Responsible Entity:

Ironbark Asset Management (Fund Services) Limited  
ABN 63 116 232 154 | AFSL 298626  
Level 13, 1 Margaret Street, Sydney NSW 2000

### Investment Manager:

Longreach CAI Pty Ltd  
ABN 33 620 086 946 | AR 001270095

### Sub-Advisor:

Creighton Capital Management LLC  
2602 Ellerhorst Avenue  
El Cerrito, CA 94530, U.S.A.

### Contact details

Longreach is responsible for providing client services to the Fund. If you have an enquiry or would like more information, contact a Longreach representative:

 Phone: 02 9135 0428

 Email: [client.services@longreachalternatives.com](mailto:client.services@longreachalternatives.com)

 Website: [www.longreachalternatives.com](http://www.longreachalternatives.com)

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This CAI Australian Share Fund Additional Information Guide ('AIG') has been prepared and issued by Ironbark Asset Management (Fund Services) Limited ABN 63 116 232 154 AFSL 298626 ('Responsible Entity', 'we', 'us', 'our'), a wholly owned subsidiary of Ironbark Asset Management Pty Ltd ABN 53 136 679 420 AFSL 341020 (collectively 'Ironbark').

The information in this document forms part of the Product Disclosure Statement ('PDS') dated 1 April 2021. You should read all the information in the PDS and this AIG before making a decision to invest into the Fund. The PDS and this AIG are available at [www.longreachalternatives.com](http://www.longreachalternatives.com) or you can request a free copy by calling Longreach on 02 9135 0428.

The information provided in this AIG is general information only and does not take account of your personal financial situation or needs. You should obtain professional financial advice tailored to your personal circumstances.

**Certain information may change from time to time. We may update this AIG with changes that are not materially adverse without issuing a replacement AIG. If we consider there is a change that is materially adverse, we will replace this AIG. Updated information and any replacement AIG will be available at [www.longreachalternatives.com](http://www.longreachalternatives.com) and you can also obtain a paper copy free of charge, by calling Longreach on 02 9135 0428.**

# 1 How the Fund works

## Applications

We will only start processing an application if:

- we consider that you have correctly completed the Application Form;
- it has been correctly sent by you and received by the Unit Registry;
- you have provided the relevant identification documents; and
- application money (in cleared funds) stated in your Application Form has been received. The time it takes for application money to clear varies depending on how you transfer the money and your bank (it may take up to four Business Days).

We reserve the right to accept or reject applications in whole or in part at our discretion and delay the processing of applications where we believe it to be in the best interest of all the Fund's investors.

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

## Distributions

An investor's share of any distributable income is calculated in accordance with the Constitution and is generally based on the number of units held by the investor at the end of the distribution period and the distributable income.

In some circumstances, such as where an investor makes a large withdrawal request or application request (generally 5% or more of the units on issue at the date the request was received), Ironbark may determine that a special distribution be calculated and distributed earlier than usual:

- in the event of an application, to prevent dilution of distributable income to the existing investors; and
- in the event of a withdrawal, to ensure the redeeming investor receives their share of distributable income so the remaining investors are not left to bear the redeeming investor's portion of taxable income.

There may also be a special attribution of taxable components to redeeming investors under the Attribution Managed Investment Trust ('AMIT') regime. Refer to the 'How managed investment schemes are taxed' section in this AIG for further details on AMIT.

## Withdrawals

When you are withdrawing, you should take note of the following:

- in some instances we are not responsible or liable if you do not receive, or are late in receiving, any withdrawal money that is paid according to your instructions;
- we may contact you to check your details before processing your withdrawal request. This may cause a delay in finalising payment of your withdrawal money. No interest is payable for any delay in finalising payment of your withdrawal money;
- if we cannot satisfactorily identify you as the withdrawing investor, we may refuse or reject your withdrawal request or payment of your withdrawal proceeds will be delayed. We are not responsible for any loss you consequently suffer;
- the Withdrawal Price will vary as the market value of assets in the Fund rises or falls;
- we reserve the right to fully withdraw your investment upon 30 days' notice if, as a result of processing your withdrawal request, your investment balance falls below the minimum initial investment amount of the Fund. The payment of fees to your financial adviser is not regarded as a withdrawal request for these purposes;

- as an investor who is withdrawing, you agree that any payment made according to instructions received by post, courier or fax shall be at the complete satisfaction of our obligations, despite any fact or circumstances such as the payment being made without your knowledge or authority; and
- you agree that if the payment is made according to these terms, you and any person claiming through or under you, shall have no claim against us about the payment.

## Withdrawal restrictions

Ironbark can deny a withdrawal request in certain circumstances, including where accepting the request would cause the Fund to cease to be liquid or where the Fund is not liquid (as defined in the Corporations Act). When the Fund is not liquid, an investor can only withdraw when Ironbark makes a withdrawal offer to investors in accordance with the Corporations Act. Ironbark is not obliged to make such offers.

A Fund will be liquid if it has liquid assets (generally cash and marketable securities) which account for at least 80% of its value. If Ironbark is unable to liquidate funds to meet withdrawal payments, it may suspend the calculation of the NAV and withhold withdrawal proceeds.

## Transferring units

You may transfer units in the Fund to another person. To do this contact Longreach for instructions on how to complete the transfer, additionally you will need to send:

- a signed and completed, and where relevant, stamped Australian standard transfer form that you can download from [www.longreachalternatives.com](http://www.longreachalternatives.com); and
- a completed Application Form from this PDS for the Fund current at the time, completed by the person to whom the units are being transferred as a new applicant to the Fund.

We reserve the right to decline certain transfer requests at our discretion.

A transfer involves a disposal of units and may have tax implications. We recommend that you obtain tax and legal advice (as necessary) before requesting a transfer.

## Authorised signatory

You can appoint a person, partnership or company as your authorised signatory. To do so, please nominate them on the initial Application Form and have them sign the relevant sections. If a company is appointed, the powers extend to any director and officer of the company. If a partnership is appointed, the powers extend to all partners. Such appointments will only be cancelled or changed once we receive written instructions from you to do so.

Once appointed, your authorised signatory has full access to operate your investment account for and on your behalf. This includes the following:

- making additional investments;
- requesting income distribution instructions to be changed;
- withdrawing all or part of your investment;
- changing bank account details; and
- enquiring and obtaining copies of the status of your investment.

If you do appoint an authorised signatory:

- you are bound by their acts;
- you release, discharge and indemnify us from and against any losses, liabilities, actions, proceedings, account claims and demands arising from instructions received from your authorised representatives; and

- you agree that any instructions received from your authorised signatory shall be to the complete satisfaction of our obligations, even if the instructions were made without your knowledge or authority.

### Your privacy – privacy collection notice

When you provide instructions to us or our service providers or delegates, we and our service providers or delegates will be collecting personal information about you. This information is needed to facilitate, administer and manage your investment, and to comply with Australian taxation laws and other laws and regulations. Otherwise, your application may not be processed or we and our service providers or delegates will not be able to administer or manage your investment.

The information that you provide may be disclosed to certain organisations or bodies situated in Australia or overseas, including service providers or business associates who provide services and financing in connection with our products and services and business functions and activities that may include:

- the ATO, AUSTRAC and other government or regulatory bodies;
- your broker, financial adviser or adviser dealer group, their service providers and any joint holder of an investment;
- organisations involved in providing, administering and managing the Fund, the administrator, custodian, auditors, or those that provide mailing or printing services; and
- those where you have consented to the disclosure and as required by law.

Currently, Ironbark does not disclose any privacy information to parties outside Australia but this may be subject to change.

Ironbark may from time to time provide you with direct marketing and/or educational material about products and services Ironbark believes may be of interest to you.

Should you not wish to receive this information from Ironbark (including by email or electronic communication), you have the right to “opt out” by advising Ironbark by telephoning 1800 034 402, or alternatively by contacting Ironbark at [client.services@ironbarkam.com](mailto:client.services@ironbarkam.com).

Subject to some exceptions allowed by law, you can ask for access to your personal information. We will give you reasons if we deny you access to this information. The Ironbark Privacy Policy outlines how you can request to access and seek the correction of your personal information. The Ironbark Privacy Policy is available at [www.ironbarkam.com](http://www.ironbarkam.com) and can be obtained by contacting Ironbark’s Privacy Officer on 1800 034 402, or alternatively by contacting us via email at [client.services@ironbarkam.com](mailto:client.services@ironbarkam.com).

## 2 Other important information

### The Constitution

The Fund is governed by the Constitution that sets out how the Fund must operate, and together with this PDS, the Corporations Act and other laws, regulates the Responsible Entity’s legal relationship with investors. If you invest in the Fund, you agree to be bound by the terms of this PDS and the Constitution. A copy of the Constitution will be made available on request. Please consider these documents before investing in the Fund.

We may amend the Constitution from time to time in accordance with the provisions in the Constitution and the Corporations Act.

### Potential conflicts of interest

Ironbark, and our various service providers may from time to time act as issuer, investment manager, custodian, registrar, broker, administrator, investment adviser, distributor or dealer, or be otherwise involved in other ways, in relation to other managed investments established by us that have similar objectives to those of the Fund.

Ironbark’s Privacy Policy contains information about how you can make a complaint if you think Ironbark has breached your privacy and how Ironbark will deal with your complaint.

You should refer to the Ironbark Privacy Policy for more detail about the personal information that Ironbark collects and how Ironbark collects, uses and discloses your personal information.

### Anti-money laundering and counter terrorism financing (‘AML/CTF’)

Australia’s AML/CTF laws require the Responsible Entity to adopt and maintain an Anti-Money Laundering and Counter Terrorism Financing program. A fundamental part of the AML/CTF program is that we collect and verify certain information about investors in the Fund.

To meet this legal requirement, we need to collect certain identification information and documentation (‘Know Your Clients (‘KYC’) Documents’) from new investors. Existing investors may also be asked to provide KYC Documents as part of a re-identification process to comply with the AML/CTF laws. Processing of applications or withdrawals will be delayed or refused if investors do not provide the KYC Documents when requested.

Under the AML/CTF laws, the Responsible Entity may be required to submit reports to AUSTRAC. This may include the disclosure of your personal information. We may not be able to tell you when this occurs and, as a result, AUSTRAC may require us to deny you (on a temporary or permanent basis) access to your investment. This could result in loss of the capital invested, or you may experience significant delays when you wish to transact on your investment.

The Responsible Entity is not liable for any loss you may suffer because of compliance with the AML/CTF laws.

### Conditions for use of the fax transaction facility

By completing the additional investment form or a withdrawal request, you agree to be bound by the following conditions if you give the Unit Registry a notice by fax:

- you acknowledge that there is a risk that fraudulent fax requests may be made by a third party;
- you agree that neither of Ironbark, its officers, employees or agents, are responsible for any fraudulently completed communications and that none of Ironbark, its officers, employees or agents will compensate you for any losses arising from such communications; and
- you release and indemnify Ironbark, its officers, employees and agents against any liabilities whatsoever arising from Ironbark, its officers, employees or agents acting on faxed communications from, or purporting to be from you.

The appointment of these service providers may result in the appointment of a related entity 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 entities in relation to the assets of the Fund and may sell or purchase assets from, a related entity. It is possible that appointments may have potential conflicts of interest with the Fund in the course of business.

Should we face conflicts in respect of our duties in relation to the Fund, related funds and our own interests we have policies and procedures in place to manage these appropriately. We will resolve such conflict fairly and reasonably and in accordance with the law, ASIC policy and our policies at all times, and have regard in such event to our obligations to investors.

Ironbark Asset Management Pty Ltd is a shareholder in Longreach Alternatives Ltd, which is a shareholder in Longreach CAI. Longreach CAI and Creighton AI have entered into a

commercial relationship to develop and distribute Creighton AI's investment capability to Australian investors. Additionally, some individual senior management hold shares within these businesses.

### Corporate governance framework

The Board of the Responsible Entity is committed to achieving effective compliance with all applicable laws, regulations and industry codes.

The Responsible Entity's compliance objectives are:

- to comply with the requirements of the law, regulatory requirements (e.g. Corporations Act and ASIC Regulatory Guides);
- to proactively identify compliance issues impacting on its business operations and establish compliance procedures and protocols to effectively and efficiently address these compliance issues;
- to monitor those procedures in place to ensure that compliance is maintained and that adequate reporting procedures exist to resolve any issues that may arise; and
- to ensure that all its representatives are kept up-to-date with developments in compliance requirements impacting on business operations and respond to them in a systematic and timely manner.

### Standard risk measure ('SRM')

The SRM has been developed by the Association of Superannuation Funds of Australia ('ASFA') and the Financial Services Council ('FSC') at the request of Australian Prudential Regulation Authority ('APRA').

The purpose of the SRM is to disclose the level of risk using a standard measure. It allows members to compare investments both within and between managed investment schemes based on the likely number of negative annual returns over any twenty year period.

As shown in the table below, a risk band of 1 would suggest that the investment is the least risky investment, and a risk band of 7 suggests a very risky investment.

Risk band	Risk label	Estimated number of negative returns over any 20 year period
1	Very Low	Less than 0.5
2	Low	0.5 to less than 1
3	Low to Medium	1 to less than 2
4	Medium	2 to less than 3
5	Medium to High	3 to less than 4
6	High	4 to less than 6
7	Very High	6 or greater

### Disclosure

Material information in relation to the Fund, including continuous disclosure notices, is uploaded on the website at [www.longreachalternatives.com](http://www.longreachalternatives.com).

You may also obtain a copy of the most recent annual financial report from the website or free of charge by contacting Longreach.

If the Fund is a disclosing entity, the Fund is subject to regular reporting and disclosure obligations. Investors can obtain a copy of the following documents from the website [www.longreachalternatives.com](http://www.longreachalternatives.com):

- the most recent annual financial report lodged with ASIC by the Fund;
- any half yearly financial report lodged with ASIC after the lodgement of that annual financial report but before the date of this PDS; and
- any continuous disclosure notices lodged with ASIC by the Fund after that annual financial report but before the date of this PDS.

Copies of documents lodged with ASIC in relation to the Fund may be obtained from ASIC.

### Keeping you informed

We will make the following statements available to all investors of the Fund:

- a transaction confirmation statement, showing a change in your holdings, provided when a transaction occurs or on request;
- distribution statements, issued only when the Fund has distributed during the period;
- annual tax statement for each period ended 30 June, issued only when the Fund has distributed during the period; and
- a confirmation of holdings statement for each period ended 30 June.

The following statements will be available to all investors of the Fund online at [www.longreachalternatives.com](http://www.longreachalternatives.com):

- the Fund's half-yearly financial account (if applicable);
- the Fund's annual audited accounts for the most recent period ended 30 June; and
- monthly investment reports providing updates on the Fund.

## 3 Risks of managed investment schemes

### General risks of investing

Risks associated with investing generally include:

<b>Active management risk</b>	Where the Fund invests in selected securities, rather than investing in a predetermined basket of securities such as an index, the Fund may underperform the stated benchmark due to investment choices.
<b>Distribution risk</b>	It is not guaranteed that distributions from the Fund will be made on a regular basis. Investors should not rely on distributions from the Fund to service other obligations. The level of income distributed to investors can also rise or fall, and the tax status of such income may also change.
<b>Force majeure risk</b>	Circumstances or events beyond our reasonable control may impact the operation, administration, and performance of the Fund. Those include, but are not limited to, industrial disputes, failure of a securities exchange, fires, flood, hurricanes, earthquakes, wars and acts of terrorism, governmental pre-emption in connection with an emergency of state and pandemics.

<b>Fund risk</b>	Fund risks include the potential termination of the Fund, change of the fees and expenses (in accordance with the Constitution), change in the Investment Manager and/or Sub-Advisor or their respective investment professionals, or the risk of error in the administration of the Fund. There is also a risk that investing in the Fund may give different results than investing individually because of income or capital gains accrued in the Fund and the consequences of applications and withdrawals by other investors. The Responsible Entity aims to manage fund risk by regularly monitoring the Investment Manager and the investment management process to ensure that the Fund is managed in a way that is in your best interests.
<b>Inflation risk</b>	This is the risk that the prices of goods and services will rise faster than the value of your investment.
<b>Interest rate risk</b>	Interest rate movements may adversely affect the general business, financial and economic climate worldwide, and hence the value of the assets of the Fund. In addition, to the extent that investors use debt to fund their investment in the Fund, interest rate movements may adversely affect them.
<b>Investor objective risk</b>	This is the risk that your objectives will not be met by your choice of investments.
<b>Liquidity risk</b>	The Fund may invest in particular investments that are difficult to purchase or sell, preventing the Fund from closing out its position or rebalancing within a timely period and at a fair price.
<b>Market risk</b>	There is a risk that the market value of the Fund's assets may fluctuate. This may occur as a result of factors such as economic conditions, government regulations, market sentiment, local and international political events, environmental and technological issues.
<b>Operational risk</b>	Disruptions or failure of information technology systems, administrative procedures or operational controls may directly or indirectly impact the operation of the Fund. Where appropriate, processes and controls are in place to reduce the impact of potential operational risks, and these are reviewed and tested on an ongoing basis.
<b>Regulatory risk</b>	This is the risk that the Fund may be adversely affected by future changes in applicable laws, including tax laws.

## 4 Fees and costs

### Transactional and operational costs

The Fund may incur transactional and operational costs such as brokerage, settlement costs, clearing costs and derivatives entered into for hedging purposes. These costs also include the estimated cost of the difference in prices of buying and selling the assets, which is often referred to as the bid-ask spread.

Transactional and operational costs incurred as a result of investors coming into and going out of the Fund may be recovered by way of the buy/sell spread charged to investors. Such costs are recovered as they are incurred and reflected in the unit price. The balance of the Fund's transactional and operational costs will be borne by the Fund from the Fund's assets without any recovery from individual investors and reflected in the Fund's unit prices. Transactional and operational costs include costs of all interposed vehicles.

The transactional and operational costs are estimates and as at the date of this PDS the estimated cost is 0.1003% of NAV p.a. (for every \$20,000 you have in the Fund, you will pay an estimate of \$21 in transactional and operational costs each year).

Transactional and operational costs may vary as the turnover in the underlying assets may change substantially as investment and market conditions change that may affect the level of transactional and operational costs not covered in the buy/sell spread. Further, there are highly variable drivers upon which such transactional and operational costs are dependent.

### Transactional costs: buy/sell spread

The buy/sell spread reflects the estimated costs incurred in buying or selling assets of the Fund when investors invest in or withdraw from the Fund. This aims to ensure other investors do not bear the transaction costs associated with a particular investor buying or selling units in the Fund. The buy/sell spread is an additional cost to you but is incorporated into the unit price and incurred when you invest in or withdraw from the Fund and is not separately charged to you. The buy/sell spread is paid into

the Fund and not paid to the Responsible Entity or Investment Manager. The buy/sell spread is 0.2000% upon entry (\$40 on an investment of \$20,000) and 0.2000% upon exit (\$40 on an investment of \$20,000), GST is not applicable. We may vary the buy/sell spread from time to time and prior notice will not ordinarily be provided, unless it is materially adverse to investors. Updated information on the buy/sell spread will be posted online at [www.longreachalternatives.com](http://www.longreachalternatives.com). Reinvested distributions do not incur a buy/sell spread.

### Changes to fees

The Responsible Entity may increase or decrease the fees for a number of reasons without investor consent, subject to the maximum fee amounts specified in the Constitution. We will provide investors at least 30 days' prior notice of any proposed fee increase in accordance with the law. Abnormal expense recoveries and buy/sell spreads may change without notice, for example, when it is necessary to protect the interests of existing investors and if permitted by law. In most circumstances the Constitution defines the maximum fees that can be charged for fees described in this PDS.

**Contribution fee:** The Constitution allows a maximum contribution fee of up to 3% of an investor's application money for additional investments. No contribution fee is currently charged.

### Bank and government charges

In addition to the fees set out in this section, standard government fees, duties and bank charges may also apply to investments and withdrawals (including dishonour fees and bank charges) and may be payable by the investor.

### Goods and services tax ('GST')

All fees are shown on a GST inclusive basis, net of any reduced input tax credits, unless otherwise stated.

Further information on GST is available in section 5 of this AIG.

## 5 How managed investment schemes are taxed

### Taxation of the Fund

This sub-section provides general information only on selected Australian income tax matters and is only applicable to Australian resident investors in the Fund that hold their units on capital account. The tax comments in this section do not take into account the specific circumstances of the investor. In particular, they may not be relevant to investors that are subject to special tax rules such as banks, insurance companies, managed investment trusts, tax exempt organisations and dealers in securities.

**Warning:** Ironbark cannot give tax advice in respect of investments in the Fund. Investing in a registered managed investment scheme (such as the Fund) is likely to have tax consequences. Australian tax laws are complex and subject to change. The tax comments below are only in respect of Australian income tax and are based on the current law in Australia as at the date of this PDS. The comments do not take into account any changes in the tax law or future judicial precedents of the law after this time. Investors are strongly advised to seek their own professional tax advice about the applicable Australian tax (including income tax, GST and duty) consequences and, if appropriate, foreign tax consequences which may apply to investors based on their particular circumstances before investing in the Fund.

### Taxation of Australian resident investors

The Fund should be characterised as a resident trust estate for Australian income tax purposes. The Responsible Entity should not be subject to tax on the net (tax) income of the Fund for the relevant year. Rather, the investors in the Fund are generally assessed on their share of the net (tax) income of the Fund for the relevant year.

### Distributions

The whole of the Fund's distributable income (if any) for a particular income year ended 30 June will generally be distributed to investors in respect of the relevant income year. Investors should include their share of the net (tax) income of the Fund in their assessable income in the relevant income year. This share is determined based on the distribution of the different income characters by the Fund to the investors. This is the case even if the Fund does not pay a cash distribution, the distribution is reinvested in additional units in the Fund, the distribution is paid in the next income year, or where the income distributions differ to the net (tax) income of the Fund.

The Responsible Entity has elected for the Fund to be an attribution managed investment trust (AMIT) under the AMIT regime introduced by the Government in 2016. From that time, the basis upon which an investor in the Fund, which has elected to be an AMIT, may be subject to tax may differ to that set out above. Investors will be taxed on an attribution basis (having regard to the amount and character of the net taxable income of the Fund that we "attribute" to an investor), rather than such tax being based strictly on the share of the net income distributed to which an investor is "presently entitled". The attribution will be made on a fair and reasonable basis in accordance with the Constitution.

Through the AMIT regime there should be greater certainty of the taxation position of investors. In particular, it is noted that under the AMIT regime in respect of the Fund:

- The net (tax) income of the Fund for an income year will be attributed to investors in the Fund each year, based on their entitlement as defined in the Fund's Constitution and this PDS.
- The amounts attributed to investors from the Fund each year will be disclosed in an AMIT Member Annual Statement ('AMMA Statement'). This statement will be provided to investors no later than three months after the end of the relevant income year.

- The amounts attributed to investors from the Fund as disclosed in the AMMA Statement should be taken into account in the taxable income calculation of investors for the relevant year of income.
- The amounts attributed to investors from the Fund should retain the character they had in the Fund for income tax purposes.
- Investors can rely on specific legislative provisions that allow for an adjustment in calculating the net (tax) income of the Fund for an income year to be applied against the calculation of the net (tax) income of the year that the adjustment is discovered.
- Investors will be subject to a tax cost base adjustment mechanism, which may result in increases or decreases to the tax cost base of units held in the Fund, where there is a difference between the amount distributed by the Fund and the taxable amounts attributed to Investors for an income year. Details of these tax cost base adjustments will be shown in the AMMA Statement.
- Australian withholding tax, if applicable, will be levied on the amounts attributed to a non-resident from the Fund, which may be different to the cash that is actually distributed by the Fund for the year.
- An amount of net (tax) income may be attributed to Investors by the Fund at the time of any withdrawal or cancellation of units in the Fund. This will be based on any entitlement to the Fund's income specified in the Fund's Constitution and this PDS.

In respect of each income year for which investors receive a distribution from the Fund, Ironbark will send an AMMA Statement or a tax statement that will indicate the composition of the distributions the investor has received and the amounts attributed from the Fund, which may include discount capital gains, non-discount capital gains, Australian source interest, dividend and other income, assessable foreign source income, foreign income tax offsets, CGT concession, and other non-assessable amounts.

The capital gains attributed to an investor can be offset by the investor's capital losses arising from other sources. If the capital gains relate to assets held by the Fund for at least 12 months before the disposal and the investor is an individual, trustee or complying superannuation fund, the investor may be entitled to reduce their net capital gain by applying the discount capital gains tax concession, after the application of any capital losses. The concession is 50% for an Australian resident individual or trust, and 33.33% for a complying superannuation fund. In the AMMA Statement or annual tax statement, Ironbark will advise of discountable capital gains attributed to the investor to assist the investor in calculating their net capital gain for the relevant year.

To the extent that part of a capital gain to which an investor becomes entitled is not assessable as a result of the discount capital gains tax concession, no adjustment to the cost base of their units will be required.

You may receive other non-assessable distributions from the Fund. Such distributions should reduce the tax cost base of the units of the investor in the Fund on which the distribution is made. Further, where the tax cost base is reduced to nil, the amount by which the non-assessable component exceeds the tax cost base of the unit will be regarded as a discountable capital gain made by the investor that holds the unit.

In the case where the Fund makes a loss for tax purposes for a particular income year ended 30 June, the Fund cannot distribute the tax loss to investors. However, subject to the Fund satisfying the relevant loss utilisation rules, the loss may be carried forward and applied by the Fund against its income in future income years.

## Foreign income tax offset

Where the Fund pays foreign tax (such as withholding taxes) in respect of income or gains from a foreign investment, an investor may be entitled to receive a foreign income tax offset ('FITO'). Investors will usually include the foreign income and the FITO in their assessable income and may be eligible for a tax offset. The amount of any foreign income and FITO will be detailed in the AMMA Statement or annual tax statement provided to an investor.

The imposition of tax by a foreign jurisdiction will depend on the country in which the asset is located and income is sourced and the terms of any international tax agreement that exists between that country and Australia, if any. These considerations may affect an investor's entitlement to a FITO.

The ability of an investor to claim a tax offset for the FITO attributed to them from the Fund will depend on their overall tax position. If in doubt, investors should consult their tax adviser in relation to their FITO entitlement for a given year.

## Controlled foreign company income

The Controlled Foreign Company ('CFC') rules can attribute income to the Fund that has been derived however not distributed by a foreign company where, in broad terms, the Fund together with its associates control the foreign company. It is unlikely for these rules to apply on the basis that the Fund should not control any foreign company.

## Disposal or withdrawal of units

The disposal or withdrawal by an investor of any unit in the Fund may give rise to a capital gain or capital loss that is included in the net capital gain calculation of that investor for the relevant income year. Australian income tax may be payable on any net capital gain that is made for the relevant income year. A capital gain would be made where the capital proceeds from the disposal or withdrawal exceeds the cost base of the relevant unit. A capital loss would be made from the disposal or withdrawal where the capital proceeds from the disposal or withdrawal of the unit are less than the reduced cost base of the unit.

In order to determine their capital gain or capital loss position from the disposal or withdrawal of any unit, investors will need to adjust the tax cost base of their units in the Fund for any AMIT cost base adjustments that have been advised in the investor's AMMA statements received over the duration of their holding plus any non-assessable components distributed from the Fund before the Fund became an AMIT (where relevant). Note, a discount may be available for certain investors in calculating their net capital gain. Such a discount is available on capital gains made on units in the Fund (after the application of capital losses) where the units have been held for at least 12 months. The discount is 50% for Australian resident individuals and trusts, and 33.33% for complying superannuation funds.

## Taxation of non-resident investors

If you are not an Australian resident for tax purposes, or if you provide us with an address outside Australia, tax may be withheld from some Australian sourced taxable components of distributions that are made or attributed by the Fund to non-residents. The rate of withholding tax is dependent on the character of the distribution. If the nature of the distribution is regarded as Australian sourced interest, the withholding tax rate will be 10%. If the distribution is regarded as an unfranked Australian dividend, not declared to be conduit foreign income, the withholding tax rate will be 30% (subject to any lower rate available under a relevant double tax treaty). If the Fund is a withholding managed investment trust and the distribution is a fund payment, the withholding tax rate will be 15% if the investor is resident in an exchange of information country, or otherwise 30%. Any non-assessable distributions made by the Fund should not be subject to Australian withholding tax. You may be subject to the tax laws in your country of residence and should obtain professional tax advice before investing in the Fund.

## GST

GST will apply to most expenses of the Fund. All stated fees and expenses are quoted on a GST inclusive basis less any reduced input tax credits available to the Fund. Generally, the Fund cannot claim full input tax credits for GST incurred on expenses, however the Fund may be entitled to reduced input tax credits of 55% to 75% of any GST paid in respect of some of these expenses.

## Tax file number ('TFN') declaration

On your application form you may provide us with your TFN or advise us in writing of your TFN exemption. Alternatively, if you are investing in the Fund in the course or furtherance of an enterprise, you may quote an Australian Business Number ('ABN').

It is not compulsory for you to quote a TFN, exemption or ABN, however if you do not we are required by law to deduct tax from any taxable income distribution payable to you at the highest marginal tax rate plus Medicare Levy and any other applicable Government charges. We are authorised to collect TFNs under tax law. For more information about TFNs, please contact the Australian Taxation Office ('ATO').

## US tax law requirements

The Fund is a Reporting Financial Institution under the Inter-Governmental Agreement between the Australian and US governments in relation to the Foreign Account Tax Compliance Act ('FATCA'), a United States tax law that imposes certain due diligence and reporting obligations on foreign (non-US) financial institutions and other financial intermediaries, including the Fund, to prevent tax evasion by US citizens and US tax residents ('US Persons') through the use of non-US domiciled investments or accounts.

To comply with the requirements under this Act, we will collect certain additional information from investors and will be required to disclose such information to the ATO. The ATO will share information reported to it by Reporting Financial Institutions with the US Internal Revenue Service.

For further information in relation to how our due diligence and reporting obligations may affect you, please consult your tax adviser.

## Common reporting standard

The Fund is a Reporting Financial Institution under the Tax Laws Amendment (Implementation of the Common Reporting Standard) Act 2016 that implemented the OECD Common Reporting Standard ('CRS') in Australia, requiring Reporting Financial Institutions in Australia to report to the ATO details of their foreign investors from participating jurisdictions (other countries that have implemented CRS).

To comply with CRS, we are required to collect information from you to identify if you are a tax resident of any other jurisdiction(s). For non-individual accounts, we are also required to identify the entity type and whether any controlling persons are foreign tax residents. Processing of applications or withdrawals will be delayed or refused if you do not provide the required information when requested. Penalties can apply if investors provide false information.

The ATO will share information reported to it by Reporting Financial Institutions to tax authorities of jurisdictions that have signed the CRS Competent Authority Agreement.

For further information in relation to how our due diligence and reporting obligations may affect you, please consult your tax adviser.

## 6 Additional information for New Zealand investors

This offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 and Regulations. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 ('FMCA') and Part 9 of the Financial Markets Conduct Regulations.

### Regulation

This offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 and Regulations (Australia) set out how the offer must be made.

There are differences in how securities are regulated under Australian law. For example, the disclosure of fees for collective investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian securities may differ from the rights, remedies, and compensation arrangements for New Zealand securities.

### Complaints

Both the Australian and New Zealand securities regulators have enforcement responsibilities in relation to this offer. If we are not able to resolve your complaint within 45 days or you are not

happy with our resolution, as described in section 8 of the PDS, rather than contact the Australian Financial Complaints Authority you can contact the Financial Markets Authority, New Zealand ([www.fma.govt.nz](http://www.fma.govt.nz)). The Australian and New Zealand regulators will work together to settle your complaint.

### Currency risk

The offer may involve a currency exchange risk. The currency for the securities is not New Zealand dollars. The value of the securities will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the securities to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

### Taxation

The taxation treatment of Australian securities is not the same as for New Zealand securities.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

## 7 Glossary

<b>ASIC</b>	Australian Securities and Investments Commission.
<b>Application Form</b>	the application form accompanying the PDS.
<b>Business Day</b>	a day other than a Saturday or Sunday or public holiday on which banks are open for business generally in NSW.
<b>Constitution</b>	the constitution of the Fund, which describes the rights and responsibilities of both investors and the Responsible Entity in relation to the Fund and the beneficial interest of investors.
<b>Corporations Act</b>	<i>Corporations Act 2001</i> (Cth).
<b>Fund</b>	CAI Australian Share Fund ARSN 114 291 299.
<b>IDPS</b>	an investor directed portfolio service, master trust, wrap account, an investor directed portfolio service-like scheme or a similar arrangement.
<b>Indirect Investors</b>	persons who invest in the Fund through an IDPS.
<b>Investment Manager, Longreach CAI</b>	Longreach CAI Pty Ltd ABN 33 620 086 946 AR 001270095.
<b>Responsible Entity</b>	Ironbark Asset Management (Fund Services) Limited ABN 63 116 232 154.
<b>Retail Client</b>	persons or entities defined as such under section 761G of the Corporations Act, as the case may be.
<b>Sub-Advisor, Creighton AI</b>	Creighton Capital Management LLC 2602 Ellerhorst Avenue El Cerrito, CA 94530, U.S.A.
<b>Unit Registry</b>	State Street Australia Ltd ABN 21 002 965 200.

<b>US Persons</b>	<p>a person so classified under securities or tax law in the United States of America ('US') including, in broad terms, the following persons:</p> <ul style="list-style-type: none"> <li>a) any citizen of, or natural person resident in, the US, its territories or possessions; or</li> <li>b) any corporation or partnership organised or incorporated under any laws of or in the US or of any other jurisdiction if formed by a US Person (other than by accredited investors who are not natural persons, estates or trusts) principally for the purpose of investing in securities not registered under the US Securities Act of 1933; or</li> <li>c) any agency or branch of a foreign entity located in the US; or</li> <li>d) a pension plan primarily for US employees of a US Person; or</li> <li>e) a US collective investment vehicle unless not offered to US Persons; or</li> <li>f) any estate of which an executor or administrator is a US Person (unless an executor or administrator of the estate who is not a US Person has sole or substantial investment discretion over the assets of the estate and such estate is governed by non-US law) and all the estate income is non-US income not liable to US income tax; or</li> <li>g) any trust of which any trustee is a US Person (unless a trustee who is a professional fiduciary is a US Person and a trustee who is not a US Person has sole or substantial investment discretion over the assets of the trust and no beneficiary (or settlor, if the trust is revocable) of the trust is a US Person); or</li> <li>h) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US Person; or</li> <li>i) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated or (if an individual) resident in the US for the benefit or account of a US Person.</li> </ul>
<b>we, us, our, Ironbark</b>	<p>Ironbark Asset Management (Fund Services) Limited ABN 63 116 232 154, the responsible entity for the Fund, or Ironbark Asset Management Pty Ltd ABN 53 136 679 420, as the context requires.</p>
<b>Wholesale Client</b>	<p>persons or entities who are a 'wholesale client' within the meaning of that term under section 761G of the Corporations Act which generally include investors that:</p> <ul style="list-style-type: none"> <li>a) invest at least AU\$500,000 in the Fund; or</li> <li>b) have net assets of at least AU\$2.5 million or gross income of AU\$250,000 for at least the last two financial years and can provide an accountant's certificate to certify their assets or income; or</li> <li>c) are 'professional investors' (e.g. holders of an AFSL, superannuation fund trustees, ASX-listed entities, and persons having or controlling gross assets of at least AU\$10 million).</li> </ul>