PRODUCT DISCLOSURE STATEMENT

Intelligent Investor Select Value Share Fund

Active ETF

(ASX:IISV)

Issue date 27 February 2023
Updated 1 January 2026

Issued by
InvestSMART Funds Management Limited
ACN 067 751 759
AFSL 246441

Managed by
Intelligent Investor Holdings Pty Ltd
ACN 109 360 983
CAR 1255 838

ARSN 661 805 509
ASX Code: IISV

About Us

With a 20-year track record of beating the market, clear and straightforward language, and an 'open book' approach to stock research and analysis, *Intelligent Investor* offers actionable, reliable recommendations on listed stocks.

In 2014, *Intelligent Investor* became a part of the InvestSMART family, extending our expertise to even more Australian investors seeking quality analysis and advice.

Fund overview

Listed on 31 March 2023, the Intelligent Investor Select Value Share Fund - Active ETF is an Exchange Traded Managed Fund designed for long-term investors focused on capital growth.

Portfolio constituents will be a diversified portfolio of listed Australian and international equities that:

- are undervalued;
- are high growth where we believe earnings will grow faster for longer than the market expects;
- have had slower and more stable earnings growth that have been excessively discounted for temporary reasons resulting in a depressed valuation.

The Fund portfolio will be selected based on the Intelligent Investor's value investing research process.

Investment objective

The portfolio aims to outperform the S&P/ASX 200 Accumulation Index p.a. over five year rolling periods with minimal turnover to allow returns to compound in a favourable tax environment.

Who manages the investment?

The Intelligent Investor portfolio management team has over 50 years experience collectively in portfolio management and research, and are supported by our Investment Committee, chaired by Paul Clitheroe. Intelligent Investor was founded in 1999 and is known for its in-depth value investing analysis of ASX listed companies and has a team of analysts dedicated to researching Australian and international shares.

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Product disclosure statement

Important information

This Product Disclosure Statement ("**PDS**") was lodged with both the Australian Securities & Investments Commission ("**ASIC**") and ASX Limited ("**ASX**") on 27 February 2023. No responsibility as to the contents of this PDS is taken by ASIC or the ASX.

Investment in the Intelligent Investor Select Value Share Fund - Active ETF ("**Fund**") is offered by InvestSMART Funds Management Limited ACN 067 751 759 AFS Licence No. 246441 (referred to in this PDS as "**InvestSMART**" or "**the Responsible Entity**").

The Fund has been admitted under the AQUA Rules with the ASX code: IISV.

No representation is made concerning the Fund's continued admission to trading status on the ASX under the AQUA Rules.

The information in this PDS is of a general nature only and does not consider an investor's personal financial situation or needs. Before making an investment decision based on this PDS, investors should consult a licensed financial adviser to obtain financial advice that is tailored to suit their personal circumstances.

The information in this PDS is subject to change occasionally. Information that is not materially adverse information can be updated by InvestSMART from time to time by InvestSMART publishing the updated PDS on its website and notifying investors of the changes to the PDS in writing. Updated information can be obtained through InvestSMART's website at www.intelligentinvestor.com.au.
Investors may request a paper copy of any updated information at any time, free of charge.

The Responsible Entity, Intelligent Investor, and their employees, agents or officers do not guarantee the success, repayment of capital or any rate of return on income or capital or the investment performance of the Fund. An investor's investment does not represent deposits or other liabilities of InvestSMART Group companies.

An investment in the Fund is subject to investment risk, which may include possible delays in repayment and loss of income and principal invested. For more information on the risks associated with an investment in the Fund, please refer to Section 7 of this PDS.

Unless identified to the contrary, all references to monetary amounts are in Australian dollars.

Capitalised terms have the meanings given to them in the Glossary.

An investment in the Fund may only be made by persons receiving this PDS within Australia and New Zealand. The distribution of this PDS in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of it should seek advice on and observe any such restrictions. This PDS does not constitute an offer to any person to whom, or in any place in which, it would be illegal to make that offer.

Target Market Determinations (**"TMD"**) for our financial products can be found at www.investsmart.com.au/target-market- determinations and include a description of who the financial product is appropriate for. Investors should read the TMD carefully before making an investment decision.

Chairman's Invitation

I am pleased to offer you the opportunity to invest in the Intelligent Investor Select Value Share Fund - Active ETF. The Fund is managed by Intelligent Investor using the investment philosophy and ideals of Intelligent Investor, which has been Australia's leading value-focused investment research and investor education service since 1998.

The Intelligent Investor approach is simply buying high quality businesses at material discounts to their estimated fair value and that have good growth prospects.

The Fund is quoted on ASX Trade and trades under ASX Code: IISV. Investors can buy or sell Units through their normal share trading platform or broker, as well as monitor and track their holdings under the CHESS system.

InvestSMART Funds Management Limited is the Responsible Entity for the Fund and Intelligent Investor is the Investment Manager. I am Chairman of the Investment Committee for the InvestSMART Group along with Alan Kohler, Effie Zahos, our portfolio managers and Head of Funds Management.

Investing in this Fund is not without risk and I strongly encourage you to carefully review the key investment risks. If you are unsure whether this Fund is an appropriate investment for you, you should seek advice from an authorised financial adviser.

Please read this Product Disclosure Statement and the Target Market Determination for the Fund carefully before deciding whether to invest. Should you have any questions about the Fund or how to apply, please call us on 1300 880 160.

Paul Clitheroe AM

Chairman, InvestSMART Group Ltd

1. About InvestSMART

InvestSMART Funds Management Ltd ("**InvestSMART**") is the Responsible Entity for the Intelligent Investor Select Value Share Fund - Active ETF ("**Fund**").

As Responsible Entity, InvestSMART is responsible for overseeing the operations of the Fund. As the Investment Manager, Intelligent Investor is responsible for selecting and managing the assets of the Fund. In addition, the Responsible Entity, on behalf of the Fund, may provide liquidity to investors on ASX Trade by acting as a buyer and seller of Units. The Responsible Entity has engaged the Market Making Agent to act as market maker in the units quoted for trading on the ASX under the AQUA Rules. InvestSMART Funds Management Ltd is a wholly owned subsidiary of InvestSMART Group Limited ACN 111 772 359, which is listed on the ASX (ASX code: INV).

2. Key features at a glance

Fund details

Fund name	Intelligent Investor Select Value Share Fund - Active ETF	
Responsible Entity (Issuer)	InvestSMART Funds Management Ltd (ACN 067 751 759)	
Investment Manager	Intelligent Investor Holdings Pty Ltd (ACN 109 360 983)	
ARSN	661 805 509	
ASX Code	IISV	
About the Fund	The Fund is a registered managed investment scheme. The Fund has been admitted to trading status on ASX Trade. The Fund primarily invests in the securities of companies listed on the Australian Securities Exchange and recognised international stock exchanges. The Fund's portfolio will comprise 10 to 35 securities at any one time but will also have some exposure to cash. The maximum exposure to any one share will be 15%. The Fund may use Exchange Traded Funds to gain temporary exposure to certain sectors of the market.	Section 4 & Section 8
Investment objective	The primary objective of the Fund is to invest in a portfolio of high quality, undervalued listed Australian and international stocks with superior financial metrics and competitive advantages to outperform the S&P/ASX 200 Accumulation Index over five year rolling periods with minimal turnover to allow returns to compound in a favourable tax environment.	Section 8
Asset classes and allocation ranges	ASX and International listed shares 70% - 100% Cash 0% – 30% The Fund will not hold any other asset classes	
Net Asset Value	The Net Asset Value ("**NAV**") of the Fund is calculated by deducting the liabilities (including any accrued fees) of the Fund from the aggregate value of assets. The NAV on a particular Business Day reflects the value of the Fund on the previous day at the close of trading in each market in which the Fund invests. The NAV per Unit is calculated by dividing the NAV by the number of Units on issue in the Fund. An indicative NAV per Unit ("**iNAV**") will be published by the Fund throughout the ASX Trading Day at www.intelligentinvestor.com.au. The iNAV will be updated for movements in the Fund's portfolio stocks in respect of stocks that have live market prices during the ASX Trading Day and for currency moves in respect of stocks that are priced in currencies other than Australian dollars.	Section 4

Fund details

Net Asset Value (continued)	Portfolio stocks that are not traded during the ASX Trading Day are valued using their last traded price and adjusted by any changes in their corresponding exchange's futures index in accordance with the iNAV provider's fair valuation methodology.	Section 4
Entering and exiting the Fund	Investors can enter and exit the Fund by buying and selling Units on ASX Trade in the same way as ASX listed securities. The price at which investors enter and exit the Fund will be the price at which they buy or sell the Units on ASX Trade. Investors may also be able to make an off-market request to withdraw their investment from the Fund, subject to the provisions contained within the Constitution.	Section 4
Market liquidity	Investors can buy Units from and sell Units to other investors in the secondary market in the same way as ASX listed securities. The Responsible Entity, on behalf of the Fund, may provide liquidity to investors on ASX Trade by acting as a buyer and seller of Units. The Responsible Entity has appointed the Market Making Agent to execute its market making activities.	Section 4
Distributions	Distributions will generally be made semi-annually but may be made more or less frequently at the discretion of the Responsible Entity.	Section 4
Fees and other costs	Please refer to "Fees and Costs" section for a detailed explanation of fees and costs.	Section 9
Risks	All investments are subject to risk. The significant risks associated with the Fund are described in this PDS.	Section 7
Cooling off and complaints	Consistent with securities listed on ASX Trade, cooling off rights do not apply to Units. A complaints handling process has been established.	Section 11
General information and updates	Further information, including any updates issued by InvestSMART and other statutory reports, can be found at www.intelligentinvestor.com.au	Section 11
Transaction confirmations	Investors buying or selling Units on ASX Trade will receive transaction confirmations from their stockbroker.	Section 4
Annual tax reporting	Annual tax statements will be made available in respect of the Fund.	Section 10

3. About CHESS and the AQUA Rules

About CHESS

The Responsible Entity participates in the Clearing House Electronic Sub-register System ("**CHESS**"). CHESS is a fast and economical clearing and settlement facility which also provides an electronic sub-register service. The Unit Registry has established and will maintain an electronic sub-register with CHESS on behalf of the Responsible Entity. The Responsible Entity will not issue investors with certificates in respect of their Units. Instead, when investors purchase Units on ASX Trade, they will receive a holding statement from the Unit Registry which will set out the number of Units they hold. The holding statement will specify the "Holder Identification Number" or "Shareholder Reference Number" allocated by CHESS. Subject to ASX Operating Rules and ASX Listing Rules, the Responsible Entity may decline to register a purchaser of a Unit or Units.

AQUA Rules framework

An application has been made to have the Units admitted to trading status on the ASX and will be quoted on the ASX under the AQUA Rules framework. The AQUA Rules are accessible at www.asx.com.au.

The following table sets out the key differences between the ASX Listing Rules and the AQUA Rules.

Requirements	ASX listing rules	AQUA rules
Continuous disclosure	Issuers are subject to continuous disclosure requirements under ASX Listing Rule 3.1 and section 674 of the Corporations Act.	Issuers of ASX Trade quoted products are not subject to the continuous disclosure requirements in ASX Listing Rule 3.1 and section 674 of the Corporations Act. The Responsible Entity will comply with the disclosure requirements in section 675 of the Corporations Act. This means that the Responsible Entity will disclose to ASIC information which is not generally available and that a reasonable person would expect, if the information were generally available, to have a material effect on the price or value of the Units, provided that such information has not already been included in this PDS (as supplemented or amended). The Responsible Entity will publish such information on the ASX announcements platform and its website at www.intelligentinvestor.com.au at the same time as it is disclosed to ASIC. Under AQUA Rule 10A.4, the Responsible Entity must disclose: • information about the NAV of the Fund's underlying investments daily; • information about redemptions from the Fund; • information about distributions paid in relation to the Fund; • any other information which is required to be disclosed to ASIC under section 675 of the Corporations Act; and • any other information that would be required to be disclosed to the ASX under section 323DA of the Corporations Act if the Units were admitted under the ASX Listing Rules. In addition, under the AQUA Rules the Responsible Entity must immediately notify the ASX of any information the non-disclosure of which may lead to the establishment of a false market in the Units or which would be likely to materially affect the price of the Units.

Requirements	ASX listing rules	AQUA rules
Periodic disclosure	Issuers are required to disclose half-yearly and annual financial information and reports to the ASX announcements platform.	Issuers of ASX Trade quoted products are not required to disclose half-yearly or annual financial information or reports to the ASX announcements platform. The Responsible Entity is required to lodge financial information and reports in respect of the Fund with ASIC under Chapter 2M of the Corporations Act.
Corporate governance	Listed companies and listed managed investment schemes are subject to notification requirements under the Corporations Act and the ASX Listing Rules relating to takeover bids, buy-backs, change of capital, new issues, restricted securities, disclosure of directors' interests and substantial shareholdings.	Although the Units are quoted under the AQUA Rules, neither the Fund nor the Responsible Entity itself is listed and they are therefore not subject to certain corporate governance requirements. The Responsible Entity will still be required to comply with the related party requirements in Part 5C.7 and Chapter 2E of the Corporations Act and section 601FM of the Corporations Act including that the Responsible Entity may be removed by an extraordinary resolution of members on which the Responsible Entity would not be entitled to vote.
Related party transactions	Chapter 10 of the ASX Listing Rules relates to transactions between an entity and a person in a position to influence the entity and sets out controls over related party transactions.	The Responsible Entity will still be required to comply with the related party requirements in Chapter 2E of the Corporations Act, as modified by Part 5C.7 of the Corporations Act.
Auditor rotation obligations	Division 5 of Part 2M.4 of the Corporations Act imposes specific rotation obligations on auditors of listed companies and listed managed investment schemes.	Issuers of ASX AQUA market quoted products are not subject to the auditor rotation requirements in Division 5 of Part 2M.4 of the Corporations Act. An auditor will be appointed by the Responsible Entity to audit the financial statements and Compliance Plan of the Fund.

4. About the Fund and the Units

When investors make an investment in the Fund, their money is pooled together with other investors' money. InvestSMART uses this pool to buy investments and manage them on behalf of all investors in the Fund in accordance with the Fund's investment strategy. By investing in the Fund investors have access to investments they may not be able to access on their own and they also benefit from the insights of Intelligent Investor's skilled investment team.

Units and NAV per Unit

The Fund has been admitted to trading status on ASX Trade under the AQUA Rules. The Units can be traded on ASX Trade in a similar fashion to other securities traded on ASX Trade, subject to liquidity.

The NAV estimates the value of the Fund at the close of trading on the previous day in each market in which the Fund invests. An estimated NAV per Unit will be published daily on the investment manager's website at **www.intelligentinvestor.com.au** prior to the commencement of trading on ASX Trade. The estimated NAV per Unit may fluctuate each day as the market value of the Fund's assets rises or falls. InvestSMART's Unit Pricing Discretions Policy provides further information about how the NAV per Unit is calculated. Investors can ask to see a copy of the policy free of charge by calling InvestSMART.

The Responsible Entity has engaged an agent to calculate and disseminate an indicative NAV per Unit ("**iNAV**") which will be published by the Fund on the investment manager's website at www.intelligentinvestor.com.au throughout the ASX Trading Day. The iNAV will be updated to reflect movements in the Fund's portfolio stocks by individual stocks that have live market prices during the ASX Trading Day. No assurance can be given that the iNAV will be published continuously or that it will be up to date or free from error. To the extent permitted by law, neither the Responsible Entity nor its appointed agent shall be liable to any person who relies on the iNAV. The price at which Units trade on ASX Trade may not reflect either the NAV per Unit or the iNAV. See "ASX Trade liquidity" section on page 11 for more details.

Investing in the Fund on ASX Trade

Once the Units are quoted on ASX Trade, investors can invest in the Fund by purchasing Units via their stockbroker or financial adviser. Investors do not need to complete an application form and they will settle the purchase of their Units in the same way they would settle purchases of listed securities via the ASX CHESS settlement service. Stockbrokers and ASX Trade participants may require you to buy a minimum marketable parcel.

There is no minimum number of Units investors can buy on ASX Trade. An investor's entry price for the Fund will be the price at which they have purchased Units on ASX Trade plus any brokerage commission charged. Consistent with other securities listed on the ASX, investors do not have cooling off rights in respect of Units purchased on ASX Trade.

Withdrawing your investment in the Fund on ASX Trade

Investors can withdraw from the Fund by selling Units on ASX Trade via their stockbroker. Investors do not need to complete a withdrawal form and they will receive the proceeds from the sale of their Units in the same way they would receive proceeds from the sale of listed securities via the ASX CHESS settlement service.

There is no minimum number of Units investors can sell on ASX Trade, though some ASX Trade participants may require you to sell a minimum marketable parcel. An investor's exit price for the Fund will be the price at which they have sold Units on ASX Trade less any brokerage commission charged.

Off-market withdrawal rights

If trading in the Units on ASX Trade has been suspended for five consecutive Business Days, investors may be able to apply to the Responsible Entity directly to make an off-market withdrawal of their investment from the Fund. Investors can request a withdrawal form by contacting the Unit Registry.

The off-market withdrawal process, including the calculation of the NAV per Unit, applies only when a Fund is 'liquid' (within the meaning given to that term in the Corporations Act). Where the Fund ceases to be liquid, Units may only be withdrawn pursuant to a withdrawal offer made to all investors in the Fund in accordance with the Constitution and the Corporations Act. The Responsible Entity is not obliged to make such offers.

There may be other circumstances where off-market withdrawals from the Fund are suspended and investors may have to wait a period of time before they can make a withdrawal.

Withdrawals may be suspended for up to 28 days including where:

a) it is impracticable for the Responsible Entity, or the Responsible Entity is unable, to calculate the NAV of the Fund, for example, because of financial market disruptions or closures;

b) the payment of withdrawal proceeds involves realising a significant portion of the Fund's assets which would, in the Responsible Entity's opinion, result in remaining investors bearing a disproportionate amount of capital gains tax or expenses, or suffering any other disadvantage or diminution of the value of Units held;

c) redemption would cause the Responsible Entity to breach any law, regulation or obligation under which the Responsible Entity operates;

d) the Responsible Entity receives withdrawal requests of an aggregate value that in its reasonable estimate exceeds 10% of the Fund's assets; or

e) it is otherwise legally permitted.

Compulsory redemption

The Responsible Entity may redeem some or all of an investor's Units without asking them in accordance with the Constitution or as permitted by law. As an example, this may occur where an investor breaches their obligations to the Responsible Entity (for example, where the Responsible Entity believes that the Units are held in breach of prohibitions contained within the Constitution) or where the Responsible Entity believes that the Units are held in circumstances which might result in a violation of an applicable law or regulation.

ASX Trade liquidity

Investors can buy Units from and sell Units to other investors in the secondary market in the same way as other ASX-listed securities.

The Responsible Entity, on behalf of the Fund, may provide liquidity to investors on ASX Trade by acting as a buyer and seller of Units. At the end of each Business Day, the Responsible Entity will create or cancel Units by applying for or redeeming its net position in Units bought or sold on ASX Trade. The Responsible Entity has appointed the Market Making Agent to transact and facilitate settlement on its behalf.

The price at which the Responsible Entity may buy or sell Units will reflect the Responsible Entity's view of NAV per Unit (as referenced by the iNAV), market conditions and supply and demand for Units during the ASX Trading Day. The Fund will bear the risk of the market making activities undertaken by the Responsible Entity on the Fund's behalf, which may result in either a cost or a benefit to the Fund. The risks of market making are explained in Section 7.

Distributions

The Fund will generally pay a distribution to investors semi-annually, but it may do so more or less frequently at the discretion of the Responsible Entity. The distribution will comprise income earned by the Fund (such as dividends received from shares, and interest) less expenses incurred by the Fund (such as Management Costs) plus net capital gains made on the sale of shares or other investments held. If there is no net income or net capital gains earned in a particular year, the Fund may not pay a distribution in respect of that year. In some circumstances, the Fund may distribute a payment out of capital in addition to, or instead of, a distribution of net income or net capital gains.

The distribution investors may receive will be based on the number of Units they hold at the nominated record date. It is not pro-rated according to the time that investors have held their Units.

Distributions Reinvestment Plan

A distribution reinvestment plan (DRP) is available for the Fund. Participation in the DRP is subject to the terms and conditions of the DRP Rules, which is available at no charge by contacting InvestSMART on 1300 880 160 (within Australia).

For eligible Unitholders in the Fund, the DRP will apply automatically to their investment so that distributions in respect of the Fund will be reinvested in additional Units in the Fund, unless they elect to opt-out of the DRP.

If Unitholders wish to opt-out of the DRP and have their distributions paid in cash to their nominated Australian bank account, they can elect to do so by completing an on-line form available on the Unit Registry's website or by contacting the Unit Registry (further information will be provided in the information pack you will receive when you become a Unitholder). Any residual cash amounts after allotment of DRP units is retained by the Fund.

Information on the Distribution Reinvestment Plan will be made available at www.intelligentinvestor.com.au

5. Benefits of investing in the Fund

Significant features

The Intelligent Investor Select Value Share Fund - Active ETF is an actively-managed diversified portfolio that invests in well-researched, undervalued listed Australian and international shares.

The Fund is designed for medium to long-term investors focused on capital growth and offers investors an opportunity to invest in a specialised and focused Australian and international equity fund.

The Fund's investments are selected based on a range of financial criteria. Portfolio constituents will be a mix of high growth stocks where we believe earnings will grow faster for longer than the market expects, and stocks where we believe slower and more stable earnings growth have been excessively discounted for temporary reasons resulting in a depressed valuation.

The Fund's portfolio will comprise 10 to 35 investments, with a maximum holding in any one share of 15%.

The Investment Manager believes such a portfolio will achieve sufficient diversification to ensure the Fund is not overly correlated to a single company, or to industry specific or macroeconomic risks.

The primary objectives of the Fund are to achieve attractive risk- adjusted returns over the medium to long-term, while reducing the risk of permanent capital loss.

The portfolio aims to achieve a return above the S&P/ ASX 200 Accumulation Index p.a. over five year rolling periods with minimal turnover to allow returns to compound in a favourable tax environment.

Significant benefits

Investing in the Fund offers investors a range of benefits, including:

- the ability to trade the Units on ASX Trade during

normal ASX trading hours;

- the ability to track the performance of the Units on ASX Trade in a transparent manner;
- prudent risk management;
- participation in any capital appreciation and income distributions of the Fund;
- access to a professionally managed diversified portfolio with the potential for long-term capital growth and income;
- access to the investment expertise of Intelligent Investor;
- exposure to well-researched companies selected by Intelligent Investor that demonstrate high, sustainable growth over long periods due to strong competitive advantages that help minimise the risk of permanent loss of capital and allows returns to compound at high rates in a tax-efficient manner; and
- lower trading costs through access to institutional broking costs.

Minimum suggested time frame for holding investment	5+ years
Asset classes and assets	ASX and international listed securities: 70% – 100% Cash: 0% – 30% (deposits with Banks) The Fund will not invest in any other asset class
Investments held	The Fund primarily invests in the securities of companies listed on the ASX, and international stock exchanges but will also have some exposure to cash.
Risk level	High
Fund performance	For up-to-date information on the performance of the Fund, including daily NAV per Unit, iNAV and performance history, please visit **www.intelligentinvestor.com.au**

6. Risks of investing in the Fund

All investments carry risk. The likely investment return and the risk of losing money is different for each investment strategy as different strategies carry different levels of risk depending on the underlying mix of assets that make up each Fund. Those assets with potentially the highest long-term return (such as equities) may also have the highest risk of losing money in the shorter term.

Risks can be managed but they cannot be completely eliminated. It is important that investors in the Fund understand that:

- the value of an investor's investment may rise and fall;
- investment returns will vary and future returns may differ from past returns;
- returns are not guaranteed and there is a risk that investors may lose money on any investment they make; and
- laws affecting an investor's investment in a managed investment scheme may change over time.

The appropriate level of risk for each investor will depend on various factors and may include their age, investment timeframe, where other parts of their wealth are invested and their overall tolerance to risk. Investors should consult their stockbroker or licensed financial adviser to better understand the risks involved in investing in the Fund.

The significant risks for the Fund are listed in the tables over the page.

Significant risks

ASX liquidity risk	The liquidity of trading in the Units on ASX Trade may be limited. This may affect an investor's ability to buy or sell Units. Investors will not be able to purchase or sell Units on ASX Trade during any period that ASX suspends trading of Units in the Fund. Further, where trading in the Units on ASX Trade has been suspended for five consecutive Business Days, the availability of the Fund's off-market redemption facility may be available at the Responsible Entity's discretion, subject to the provisions of the Constitution.
Company specific risk	Investments by the Fund in a company's securities will be subject to many of the risks to which that particular company is itself exposed. These risks may impact the value of the securities of that company. These risks include factors such as changes in management, actions of competitors and regulators, changes in technology and market trends.
Concentration risk	As the Fund will hold a concentrated portfolio of 10 to 35 investments, returns of the Fund may be dependent upon the performance of individual companies. The concentrated exposure may lead to increased volatility in the Fund's NAV per Unit and also increases the risk of poor performance.
Conflicts of interest risk	The Responsible Entity and its various service providers may from time to time act as issuer, Investment Manager, market maker, Custodian, Unit Registry, broker, administrator, distributor or dealer to other parties or funds that have similar objectives to those of the Fund. It is, therefore, possible that any of them may have potential conflicts of interest with the Fund. The Responsible Entity or Investment Manager may invest in, directly or indirectly, or manage or advise other Funds which invest in assets which may also be purchased by the Fund. Neither the Responsible Entity, the Investment Manager nor any of their affiliates nor any person connected with it is under any obligation to offer investment opportunities to the Fund. The Responsible Entity acts as market maker to the Fund. A conflict might arise between the Fund and investors buying or selling Units from the Fund on ASX Trade due to the Fund's desire to benefit from its market making activities. A conflict might also arise due to the fact that the Responsible Entity and the Investment Manager of the Fund are related and the Responsible Entity could use its market making activities to influence the perception of the performance of the Responsible Entity and the Investment Manager. The Responsible Entity maintains a conflicts of interest policy to ensure that it manages its obligations to the Fund such that all conflicts (if any) are resolved fairly.
Counterparty risk	There is a risk that the Fund may incur a loss arising from the failure of another party to a contract (the counterparty) to meet its obligations. Substantial losses can be incurred if a counterparty fails to deliver on its contractual obligations.
Currency Risk	As the Fund will hold securities denominated in currencies other than Australian dollars, that currency exposure may lead to increased volatility in the Fund's NAV per Unit and also increases the risk of poor performance. Currency exposure will generally be unhedged and reflect the currency of the underlying securities. However, where the Investment Manager believes there is an opportunity to decrease currency risk, currency forwards may be used to hedge currency exposure of the Fund.
Fund risk	Fund risk refers to specific risks associated with the Fund, such as termination and changes to fees and expenses. The performance of the Fund or the security of an investor's capital is not guaranteed. There is no guarantee that the investment strategy of the Fund will be managed successfully, or will meet its objectives. Failure to do so could negatively impact the performance of the Fund. An investment in the Fund is governed by the terms of the Constitution and this PDS, each as amended from time to time. The Fund is also governed by the rules of the ASX, and is exposed to risks of quotation on that platform, including such things as the platform or settlements process being delayed or failing. ASX may suspend, or remove the Units from quotation on the ASX. The Responsible Entity may elect, in accordance with the Constitution and the Corporations Act, to terminate the Fund for any reason.
iNAV risk	The iNAV calculated by the iNAV calculation agent and published by the Fund is indicative only and might not be up to date or might not accurately reflect the underlying value of the Fund.
Liquidity of investments risk	Whilst the Fund is exposed to listed entities which are generally considered to be liquid investments, under extreme market conditions there is a risk that such investments cannot be readily converted into cash or at an appropriate price. In such circumstances, the Fund may be unable to liquidate sufficient assets to meet its obligations (including payments in respect of net purchases of Units as a result of the Responsible Entity's market making activities on behalf of the Fund or off-market withdrawals allowed under limited circumstances as described in Section 4) within required timeframes or it may be required to sell assets at a substantial loss in order to do so.

Market making agent risk	The Responsible Entity has appointed a market participant to execute the Fund's market making activities and provide settlement services. There is a risk that the market participant could make an error in executing the Fund's market making activities. Additionally, the Fund may enter into transactions to acquire or to liquidate assets in anticipation of the market participant fulfilling its settlement processing obligations in a correct and timely manner. If the market participant does not fulfil its settlement processing obligations in a correct and timely manner, the Fund could suffer a loss.
Market making risk	The Responsible Entity acts as market maker in the Units on behalf of the Fund. The Fund will bear the risk of the market making activities undertaken by the Responsible Entity on the Fund's behalf. There is a risk that the Fund could suffer a material cost as a result of these market making activities which may adversely affect the NAV of the Fund. Such a cost could be caused by either an error in the execution of market making activities or in the price at which Units are transacted on ASX Trade. In order to mitigate this risk, the Responsible Entity has the discretion to increase the spread at which it makes a market and also has the right to cease making a market subject to its obligations under the AQUA Rules and ASX Operating Rules.
Market risk	There is a risk that the market price of the Fund's assets will fluctuate. This may be as a result of factors such as economic conditions, government regulations, market sentiment, local and international political events, pandemic outbreaks, environmental and technological issues.
Operational risk	Operational risk includes those risks which arise from carrying on a Funds management business. The operation of the Fund requires the Responsible Entity, Custodian, Unit Registry, administrator, market participant and other service providers to implement sophisticated systems and procedures. Some of these systems and procedures are specific to the operation of the Fund. Inadequacies with these systems and procedures or the people operating them could lead to a problem with the Fund's operation and result in a decrease in the value of Units.
Performance risk	There is a risk that the Fund may not achieve its investment objectives.
Personnel risk	The skill and performance of the Responsible Entity and Investment Manager can have a significant impact (both directly and indirectly) on the investment returns of the Fund. Changes in key personnel and resources of the Responsible Entity and Investment Manager may also have a material impact on investment returns on the Fund.
Pooled investment scheme risk	The market prices at which the Fund is able to invest inflows, or sell assets to fulfil outflows, may differ from the prices used to calculate the NAV per Unit. Investors in the Fund may therefore be impacted by other investors entering and exiting the Fund. The impact will depend on the size of inflows or outflows relative to the Fund, and on the price volatility of the securities in which the Fund invests. Inflows and outflows may also affect the taxable income distributed to an investor during a financial year.
Price of Units on the ASX	The price at which the Units may trade on the ASX may differ materially from the NAV per Unit and the iNAV.
Regulatory risk	There is a risk that a change in laws and regulations governing a security, sector or financial market could have an adverse impact on the Fund or on the Fund's investments. A change in laws or regulations can increase the costs of operating a business and/or change the competitive landscape.
The Fund may be removed from quotation by the ASX or terminated	ASX imposes certain requirements for the continued quotation of securities, such as the Units, on the ASX under the AQUA Rules. Investors cannot be assured that the Fund will continue to meet the requirements necessary to maintain quotation on the ASX. In addition, ASX may change the quotation requirements. The Responsible Entity may elect, in accordance with the Constitution and Corporations Act, to terminate the Fund for any reason including if Units cease to be quoted on the ASX. Information about the AQUA Rules applicable to quotation of Units in the Fund on the ASX is set out in Section 3 of this PDS.

7. The investment objective and strategy

An investment in the Fund may suit investors who are seeking a long term investment exposure to growth in the Australian and international equity markets through the ownership of companies that are selected by a mix of business quality, growth prospects, balance sheet strength, management competency and trustworthiness and valuation.

Portfolio constituents will be a mix of high growth stocks where we believe earnings will grow faster for longer than the market expects, and stocks where we believe slower and more stable earnings growth have been excessively discounted for temporary reasons resulting in a depressed valuation.

Once stocks are chosen, their allocation in the portfolio is considered against other stocks in the portfolio with similar risks, usually within a similar industry.

Larger positions will lean toward business quality rather than statistical cheap, lower quality businesses, to minimise risk while allowing the best ideas to have a meaningful impact on performance.

Before deciding whether to invest in the Fund, investors should consider:

- the likely investment return of the Fund;
- the risk involved in investing in the Fund; and
- their investment timeframe, personal objectives, financial situation and needs.

The portfolio will consist primarily of companies that are included in the S&P/ASX 300 index and the S&P 500 and NASDAQ US indexes, and other major developed market indices.

Derivatives

The Fund will not use leverage, derivatives or engage in short-selling.

Labour standards and environmental, social or ethical considerations

InvestSMART and Investment Manager do not take into account labour standards or environmental, social or ethical considerations when selecting, retaining or realising investments.

Changes to the Fund

InvestSMART has the right to close or terminate the Fund by notice to investors. InvestSMART may make changes to the Fund's investment return objective without prior notice to investors and will inform investors of any such minor changes in the next regular communication or as otherwise required by law.

8. Fees and costs

Did you know?

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

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

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs. You may be able to negotiate to pay lower 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)** Moneysmart website (www.moneysmart.gov.au) has a managed funds fee calculator to help you check out different fee options.

This section shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the assets of the managed investment scheme as a whole.

Taxes are set out in another part of this document.

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

Fees and costs summary

Type of fee or cost	Amount	How and when paid
Ongoing annual fees and costs[1]		
Management fees and costs The fees and costs for managing your investment	0.97% p.a. of the NAV of the Fund	Calculated each Business Day on the NAV (before fees) of the Fund on that Business Day and are paid from the Fund monthly in arrears. They are deducted directly from the Fund's assets and reflected in its Unit price. Refer to 'Management costs' in the 'Additional information about fees and costs' section below for details.

Fees and costs summary

Type of fee or cost	Amount	How and when paid
Ongoing annual fees and costs[1]		
Performance fees Amounts deducted from your investment in relation to the performance of the product	0.30% p.a. of the NAV of the Fund[2]	Performance fees are 15% of the excess return of the Fund above the higher of the Index Relative Hurdle (the S&P/ASX 200 Accumulation Index (AUD)) and the Absolute Return Hurdle (the RBA cash rate) over each 12-month period ending 30 June ("**Calculation Period**") subject to a high-water mark. Performance fees are estimated daily and accrued in the NAV per Unit. Calculation of the fee is finalised and paid at the end of a Calculation Period (30 June of each year) from the assets of the Fund. Refer to ' Performance fees' in the 'Additional information about fees and costs' section below for details.
Transaction costs The costs incurred by the Fund when buying or selling assets	0.14% p.a. of the NAV of the Fund[3]	Transaction costs are variable and deducted from the Fund as they are incurred and reflected in the Unit price. They are disclosed net of amounts recovered by the Buy/Sell Spread. Refer to 'Transaction costs' in the 'Additional information about fees and costs' section below for details.
Member activity related fees and costs (fees for services or when your money moves in or out of the scheme)[1]		
Establishment fee The fee to open your investment	Nil	Not applicable
Contribution fee The fee on each amount contributed to your investment	Nil	Not applicable
Buy-sell spread An amount deducted from your investment representing costs incurred in transactions by the Fund	• Buying Units on ASX: Determined by market participants • Applying for Units directly with the Responsible Entity: 0.30% of the NAV per Unit on applications in and withdrawals out of the Fund	These costs are an additional cost to the investor but are incorporated into the Unit price and arise when investing Application Monies and funding withdrawals from the Fund. The Buy Spread is paid into the Fund as part of an application and the Sell Spread is left in the Fund as part of a redemption.
Withdrawal fee The fee on each amount you take out of your investment	Nil	Not applicable
Exit fee The fee to close your investment	Nil	Not applicable

Switching fee The fee for changing investment options	Nil	Not applicable

Other service fees may also apply in relation to your investment. Please read the 'Additional information about fees and costs' below.

1 All fees in the table above are inclusive of GST and net of any reduced input tax credit. See below for more details as to how management costs are calculated.

2 The estimated performance fee has been calculated based on 2% out-performance of the Fund after management fees, above the hurdles multiplied by the performance fee. The actual performance fee payable (if any) will depend on the performance of the Fund over the relevant period. For more information about performance fees, see "Performance fees" under the heading "Additional information about fees and costs".

3 The estimated transaction costs are based on the expected brokerage rates and the buy-sell spread of the expected portfolio at the date of this PDS.

This table gives an example of how the ongoing annual fees and costs for this product can affect your investment over a 1-year period. You should use this table to compare this product with other products offered by managed investment schemes.

Example		**Balance of $50,000 with a contribution of $5,000 during year**
Contribution Fees	Nil	For every additional $5,000 you put in, you will be charged $0
PLUS Management fees and costs	0.97%[1]	And, for every $50,000 you have in the Fund you will be charged or have deducted from your investment $485 each year
PLUS Performance fees	0.30%	And, you will be charged or have deducted from your investment $150 in performance fees each year
PLUS Transaction costs	0.14%	And, you will be charged or have deducted from your investment $70 in transaction costs
EQUALS Cost of Intelligent Investor Select Value Share 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 fees and costs of $705[2]

1 This rate is inclusive of the estimated net effect of GST (i.e. inclusive of 10% GST, less any reduced input tax credits). Please see the 'Additional information about fees and costs' for more details.

2 This is an example only and does not take into account any movements in the value of the investor's Units that may occur over the course of the year or any abnormal costs. Additional fees may also apply.

Additional information about fees and costs

Management fees and costs

Management fees and costs include the Investment Manager and Responsible Entity's management fees and Fund administration costs. The Fund pays a management fee of 0.97% per annum to InvestSMART for managing the assets of the Fund and overseeing the operations of the Fund. The management fee paid to InvestSMART includes the costs of all fees (including the Investment Management fee), costs, charges, expenses and outgoings that are incurred in connection with the Fund (such as administration and accounting costs, registry fees, audit and tax fees, and investor reporting expenses).

Management fees and costs are calculated each Business Day based on the net asset value (before fees) of the Fund on that Business Day and are payable out of the Fund at the end of each month. Management fees and costs are reflected in the NAV per Unit of the Fund.

Performance fee

Performance fees are 15.0% of excess return over the higher of the Index Relative Hurdle (S&P ASX 200 Accumulation Index) and the Absolute Return Hurdle (the RBA Cash Rate). Additionally, the performance fee is subject to a high-water mark, so performance fees will only be charged if the performance of the Fund is greater than the last time a performance fee was charged.

Performance fees are calculated over a 12-month period ending 30 June each year.

Calculation methodology

The Fund's "total return" per Unit ("**Total Return**") is the dollar movement in its NAV per Unit during the Calculation Period (adjusted for any income or capital distributions and before any accrued performance fees during that Calculation Period). Adjustments will be made for any capital re-organisations such as unit divisions or consolidations. Calculation Periods are 12 months in duration, ending on 30 June of each year.

The Fund's "excess return" per Unit ("**Excess Return**") is its Total Return less the higher of the hurdle returns, expressed in dollar terms. The performance fee per Unit is 15% of the Excess Return. The total performance fee is the performance fee per Unit multiplied by the number of Units on issue at the end of the Calculation Period, less the Equalisation Reserve described below.

Intelligent Investor will only be entitled to a performance fee where the NAV per Unit at the end of the Calculation Period exceeds the applicable high-water mark. The high-water mark is the NAV per Unit at the end of the most recent Calculation Period for which Intelligent Investor was entitled to a performance fee, less any intervening income or capital distribution. Furthermore, the fee to which Intelligent Investor is entitled will be subject to a performance fee cap such that the NAV per Unit (after the performance fee has been paid) is not less than the applicable high-water mark.

The performance fee described above is inclusive of the estimated net effect of GST (i.e. inclusive of GST, less any reduced input tax credits). As the Fund invests in international securities as well as Australian securities, the Fund may not be entitled to claim input-tax credits for the full amount of the GST incurred. To the extent the GST impact changes (for example, if the Fund's exposure to Australian securities increases), the actual performance fees may vary from the rate stated above.

Equalisation Reserve and Units issued during a Calculation Period

Performance fees are paid on the Excess Return of each Unit on issue at the end of a Calculation Period, less an equalisation reserve ("**Equalisation Reserve**"). The effect of the Equalisation Reserve is that Intelligent Investor will only receive a performance fee in respect of a specific Unit on performance generated after that Unit is created. On each Business Day where there is a creation of Units, the Equalisation Reserve is increased by an amount that represents the performance fee per

Unit calculated immediately prior to the creation of those Units multiplied by the number of units created ("**Equalisation Adjustment**"). If the accrued performance fee per Unit on a particular day is nil, there will be no Equalisation Adjustment made to the Equalisation Reserve. The Equalisation Reserve accumulates over a Calculation Period.

The Equalisation Reserve is subject to a ceiling such that the total Equalisation Reserve is the lesser of:

a) the total of the Equalisation Adjustments calculated on each day of the Calculation Period; and

b) the total of the Units created during the Calculation Period multiplied by the prevailing performance fee per Unit.

The ceiling on the Equalisation Reserve ensures that Intelligent Investor's performance fee entitlement is not less than it would have been had no Units been created during the Calculation Period. The exact impact of the performance fee on a particular investor will depend on the price at which the investor has acquired Units, the total number of Units created during a Calculation Period, the Excess Return achieved from the start of the Calculation Period to the date where new Units are created and the subsequent movement in the NAV per Unit to the end of the Calculation Period.

Units cancelled during a Calculation Period

Units that are either purchased by the Fund on the Securities Exchange or redeemed directly via an off-market withdrawal request will be cancelled. If there is a net purchase of Units by the Fund on the Securities Exchange on a day, then the prior day will be treated as the end of the Calculation Period with respect to those Units. If Units are redeemed directly, the day of receipt of a complete off-market withdrawal request will be treated as the end of the Calculation Period with respect to those Units.

The performance fee (if any) with respect to Units cancelled will become payable to Intelligent Investor at that time.

Transaction costs

Transactional costs incurred by the Fund will be inclusive of brokerage and settlement costs on all purchases and sales of securities held by the Fund. The Responsible Entity and Investment Manager have opened accounts with a limited number of brokers and will elect which broker to use on a range of factors including costs. Each broker charges different fees but we expect the average brokerage fees to be 0.11% (inclusive of net GST) of the value of the securities bought or sold (as applicable).

Transaction costs will differ depending on the type of assets and will be paid out of the assets of the Fund. We estimate transactional costs will be approximately 0.14% (inclusive of net GST) per annum of the net asset value of the Fund, for example, $70 if the net asset value of the Fund is $50,000. The Buy/Sell spread on Units in the Fund on the ASX is retained by the Fund and aims to cover the costs of buying or selling investments which result from net purchases and sales of Units each day (this includes, among other things, administration, brokerage, settlements, stamp duty, and other taxes).

The Buy/Sell Spread that is disclosed in the Fees and Costs Summary is a reasonable estimate of transaction costs that the Fund will incur when buying or selling assets of the Fund. These costs are an additional cost to the investor but are incorporated into the Unit price and arise when investing Application Monies and funding withdrawals from the Fund or incurred when the portfolio changes and are not separately charged to the investor.

Transaction costs generally arise through the day-to-day trading of the Fund's assets and are reflected in the Fund's Unit price as an additional cost to the investor, as and when they are incurred. The gross transaction costs for the Fund are estimated at 0.35% p.a. of the NAV of the Fund, which is based on the transaction costs for similar funds. 0.21% is recovered through the Buy/Sell Spread (also based on similar funds) to produce net transaction costs of 0.14% of the NAV of the Fund. The Buy Spread is paid into the Fund as part of an Application and the Sell

Spread is left in the Fund as part of a redemption and is not paid to the Responsible Entity.

Transaction costs may vary from year to year without notice to investors. Estimated transaction costs which are used to determine the Buy/Sell Spread are reviewed regularly. Consequently the Buy/Sell Spread which is based on the previous financial year, as shown in the 'Fees and costs summary' table in this section, may change (increase or decrease) during the life of this PDS.

The Buy/Sell Spread can be altered by the Responsible Entity at any time and www.intelligentinvestor.com.au will be updated as soon as practicable to reflect any change. The Responsible Entity may also waive the Buy/Sell Spread in part or in full at its discretion.

The transaction costs disclosed in this section are based on historical experience at the date of this PDS. Please refer to www.intelligentinvestor.com.au for any updates which are not materially adverse from time to time.

Changes in fees

Fees may increase or decrease for a number of reasons including changes in the competitive, industry and regulatory environments or simply from changes in costs. The Responsible Entity can change fees without an investor's consent but will provide investors with at least 30 days written notice of any fee increase.

Stockbroker fees for investors

Investors will incur customary brokerage fees and commissions when buying and selling the Units on ASX Trade.

Financial adviser fees

An investor's licensed financial adviser may also charge an investor fees for the services they provide. These should be set out in the statement of advice by the adviser. InvestSMART pays no ongoing commissions related to an investor's investment in the Fund to financial advisers.

Market Participant cost

The Responsible Entity has appointed a market participant as its agent to execute its market making activities to provide liquidity in the Units on ASX Trade and also to facilitate settlement. The agent will earn a fee as a result of these activities. This fee is applicable to the value of the net Units purchased and sold by the agent on behalf of the Fund. The fee payable by the Fund to the agent will also be subject to GST.

Off-Market Withdrawal Spread

In the limited circumstances in which off-market withdrawals are available to investors, the price at which an investor can withdraw their investment includes an allowance for these transaction costs. The current withdrawal spread is 0.30% of the NAV per Unit.

For example, if an investor withdrew $50,000 from their investment in the Fund the cost of the withdrawal spread would be $150. The Responsible Entity may vary the withdrawal spreads from time to time and prior notice will not ordinarily be provided. Updated information on the withdrawal spreads is available at www.intelligentinvestor.com.au.

9. Taxation

Investing in the Fund is likely to have tax consequences. Before investing in the Fund, investors are strongly recommended to seek their own professional tax advice about the applicable Australian tax consequences and, if appropriate, foreign tax consequences that may apply to them based on their particular circumstances.

The taxation information contained in this PDS reflects the income tax legislation in force, and the interpretation of the Australian Taxation Office and the courts, as at the date of issue of this PDS.

Taxation laws are subject to continual change and there are reviews in progress that may impact the taxation of trusts and investors.

The Fund generally distributes all of its taxable income each financial year so that it is not subject to tax. The Fund does not pay the tax liability on behalf of investors. Investors will be assessed for tax on their share of the net income and net capital gains generated by the Fund. Depending on an investor's particular circumstances, they may also be liable to pay capital gains tax when they sell Units in the Fund or, in limited circumstances, make off-market withdrawals.

Investors will receive a tax statement after the end of each financial year that will provide them with details of the distributions they have received from the Fund to assist them in the preparation of their tax return.

Taxation of non-resident investors

If a non-resident investor is entitled to taxable income of the Fund, the investor may be subject to Australian tax at the rates applicable to non-residents. If you are a non-resident, you may be entitled to a credit for Australian income tax paid by InvestSMART in respect of your tax liability.

Taxation reforms

Legislation to establish a new tax system for managed investment trusts (MITs) was enacted in May 2016. Eligible MITs can elect to become an Attribution MIT (AMIT) by irrevocable choice. The Fund has elected to become an AMIT. Reforms to the taxation of trusts are generally ongoing. Investors should seek their own advice and monitor the progress of announcements and proposed legislative changes on the potential impact.

Quoting your Tax File Number ("TFN") or an Australian Business Number ("ABN")

It is not compulsory for investors to quote their TFN, ABN, or exemption details. However, should an investor choose not to, the Responsible Entity is required to deduct tax from an investor's distributions at the maximum personal rate (plus the Medicare levy). Collection of TFNs is permitted by taxation and privacy legislation.

Foreign Account Tax Compliance Act

Under the Foreign Account Tax Compliance Act ("**FATCA**"), InvestSMART is deemed to be a "foreign financial institution" and is required to obtain and disclose information about certain US and US-owned investors. InvestSMART may request investors to provide certain information about themselves in order to comply with its FATCA obligations ("**FATCA Information**").

To the extent that all FATCA Information is obtained, imposition of US withholding tax on payments of US income or gross proceeds from the sale of particular US securities shall not apply to the Fund. Although InvestSMART attempts to take all reasonable steps to comply with its FATCA obligations and to avoid the imposition of this withholding tax, this outcome is not guaranteed.

Under the terms of the intergovernmental agreement between the US and Australian governments, InvestSMART may provide FATCA Information to the Australian Taxation Office. InvestSMART may use your personal information in order to comply with FATCA, and may contact investors if it requires additional information to comply with its FATCA obligations.

Foreign Source Income and Foreign Income Tax Offset (FITO)

The Fund is expected to derive foreign source income that might be subject to tax overseas, for example withholding tax and/or foreign income tax. Australian resident investors may be entitled to a foreign income tax offset for foreign tax paid by the Fund in respect of the foreign income received by the Fund. Australian resident investors should include in their assessable income the gross amount of foreign income (i.e. inclusive of any foreign income tax offset) attributed to them by the Fund.

To the extent investors do not have sufficient overall net foreign source income to utilise all of the FITOs relevant to a particular year of income, the excess FITOs cannot be carried forward to a future income year.

Common Reporting Standard

The 'Common Reporting Standard' or 'CRS' is the global standard for the collection, reporting and exchange of financial account information on foreign tax residents. InvestSMART is required to obtain tax information from prospective investors who indicate that they are a non-tax resident of Australia. InvestSMART will be required to provide the Australian Tax Office with any relevant tax information regarding an investor's non-residency status.

10. Additional information

Additional disclosure information

The Fund is subject to regular reporting and continuous disclosure obligations which are set out in InvestSMART's Continuous Disclosure Policy available on the InvestSMART website. Copies of documents lodged with ASIC may be obtained from, or inspected at, an ASIC office. Investors can also call InvestSMART to obtain copies of the following documents, free of charge:

- The Fund's annual financial report most recently lodged with ASIC.
- Any half year financial report lodged with ASIC.
- Any continuous disclosure notices the Responsible Entity places online at **www.investsmart.com.au** or lodged with the ASX and ASIC.

Fund's Constitution

The operation of the Fund is governed under the law and the Constitution of the Fund which addresses matters such as NAV per Unit, withdrawals, the issue and transfer of Units, investor meetings, investors' rights, the Responsible Entity's powers to invest, borrow and generally manage the Fund and the Responsible Entity's fee entitlement and right to be indemnified from the Fund's assets.

The Constitution states that an investor's liability is limited to the amount the investor paid for their Units, but the courts are yet to determine the effectiveness of provisions of this kind. The Responsible Entity may alter the Constitution if it reasonably considers the amendments will not adversely affect investors' rights. Otherwise, the Responsible Entity must obtain investors' approval at a meeting of investors. The Responsible Entity may retire or be required to retire as Responsible Entity (if investors vote for its removal). No Units may be issued after the 80th anniversary of the date of the Constitution. The Responsible Entity may exercise its right to terminate the Fund earlier. Investors' rights to requisition, attend and vote at meetings are mainly contained in the Corporations Act.

Investors can inspect a copy of the Constitution at InvestSMART's head office or InvestSMART will provide a copy free of charge.

Investment Management Agreement

The Investment Management Agreement is between the Investment Manager and the Responsible Entity under which the Investment Manager provides investment management services to the Fund. The Investment Management Agreement contains provisions dealing with matters such as the Investment Manager's obligations to report to the Responsible Entity, and the agreement sets out the fees payable to the Investment Manager for its services. The Investment Management Agreement will remain in force until the Fund is wound up, unless the agreement is terminated earlier in accordance

with its provisions. The agreement can be terminated by the Responsible Entity if the Investment Manager is in material breach of the agreement, and that breach has not been remedied after a certain time. There are also provisions allowing the Responsible Entity to terminate if, for example, the Investment Manager becomes insolvent. A copy of the Investment Management Agreement can be obtained by calling InvestSMART on 1300 880 160.

Related party issues and conflicts of interest

The Responsible Entity may enter into transactions with, and use the services of, any other related entity of the InvestSMART Group. Those arrangements will be based on arm's length commercial terms.

The Responsible Manager and the Investment Manager are both part of the InvestSMART Group and are related parties. The Investment Manager will be remunerated from the management costs, so the Fund will not incur any additional fees for the services of the Investment Manager.

From time to time, the Responsible Entity may face conflicts in respect of our duties in relation to the Fund, related Funds and its own interests. The Responsible Entity has policies and procedures in place to avoid or otherwise manage these appropriately and will resolve such conflict fairly and reasonably and in accordance with the law, ASIC policy and its own policies.

ASIC relief

ASIC has granted Class Order relief (CO 13/721) (as amended by ASIC Corporations (Amendment) Instrument 2018/3) under section 1020F(1)(a) of the Corporations Act from the ongoing disclosure requirements in section 1017B on the condition that InvestSMART complies with the continuous disclosure requirements in section 675 of the Corporations Act as if the Fund was an unlisted disclosing entity. InvestSMART will comply with these continuous disclosure requirements of the Corporations Act as if the Fund was an unlisted disclosing entity.

ASX conditions of admission

As part of the Fund's conditions of application of admission to trading status, the Responsible Entity has agreed to:

a) disclose the Fund's portfolio holdings at least on a monthly basis within 7 business days of each month end;

b) make available half year and annual financial reports, distribution information and other required disclosures on the ASX announcements platform; and

c) provide the iNAV as described in this PDS.

Unit Pricing Discretions Policy

InvestSMART's Unit Pricing Discretions Policy provides further information about how it calculates NAV per Unit. The policy complies with ASIC requirements. The Responsible Entity will observe this policy in relation to the calculation of the NAV per Unit and will record any exercise of discretion outside the scope of the policy. Investors can request a copy of the policy free of charge by calling InvestSMART.

Cooling off period

Cooling off rights do not apply when investors transact Units on ASX Trade.

Complaints resolution

Should investors have any concerns or complaints, as a first step please contact InvestSMART's Compliance Officer on 1300 880 160 and InvestSMART will do its best to resolve this concern quickly and fairly. Information about how we handle complaints can be found in our **Complaints Resolution Policy**. If an investor believes that their matter has not been dealt with satisfactorily, they can contact the Australian Financial Complaints Authority ("**AFCA**") by calling 1800 931 678, by emailing info@ afca.org.au or by writing to AFCA at GPO Box 3, Melbourne VIC 3001.

Average Bid-Offer spread

The Fund's monthly average bid-offer spread will be reported on the ASX Investment Products Monthly Update, which can be viewed on the ASX website at www.asx.com.au.

Past performance

Performance history and Fund size information can be obtained by visiting InvestSMART's website **www.intelligentinvestor.com.au**. Fund updates and other announcements are available on the ASX at www.asx.com.au. Past performance is no indication of future performance. Returns are not guaranteed.

Custodian

Apex Fund Services Pty Ltd ("**Apex Fund Services**") is the custodian of the Fund. As Custodian, Apex Fund Services will safe-keep the assets of the Fund, collect the income of the Fund's assets and act on the Responsible Entity's directions to settle the Fund's trades.

Apex Fund Services does not make investment decisions in respect of the Fund's assets that it holds.

Unit Registry

MUFG Corporate Markets (AU) Limited, a division of MUFG Pension and Market Services, has been appointed as the Unit Registry of the Fund under a Registry Services Agreement. The Registry Services Agreement sets out the services provided by the Unit Registry on an ongoing basis together with the service standards.

As for any quoted security, the role of the Unit Registry is to keep a record of investors in the Fund. This includes information such as the quantity of Units held, TFNs (if provided), bank account details and details of distribution re-investment plan participation to the extent the Responsible Entity offers such a plan.

Contact details for MUFG Corporate Markets can be found in Section 13 of this PDS.

Consents

The following parties have given written consent (which has not been withdrawn at the date of this PDS) to being named in the form and context in which they are named, in this PDS:

- MUFG Corporate Markets (AU) Limited
- Apex Fund Services Pty Limited
- Intelligent Investor Holdings Pty Limited

Each party named above who has consented to be named in the PDS:

- has not authorised or caused the issue of this PDS;
- does not make or purport to make any statement in the PDS (or any statement on which a statement in the PDS is based) other than as specified; and
- to the maximum extent permitted by law, takes no responsibility for any part of the PDS other than the reference to their name in a statement included in the PDS with their consent as specified.

Privacy Policy

As required by law, the Responsible Entity has adopted a privacy policy that governs the collection, storage, use and disclosure of personal information. This includes using an investor's personal information to manage their investment, process any distributions that may be payable and comply with relevant laws.

For example, an investor's personal information may be used to:

- ensure compliance with all applicable regulatory or legal requirements. This includes the requirements of ASIC, the Australian Taxation Office, the Australian Transaction Reports and Analysis Centre, ASX and other regulatory bodies or relevant exchanges including the requirements of the superannuation law; and
- ensure compliance with the AML/CTF Act and with FATCA.

The Responsible Entity may be required to disclose some or all of an investor's personal information, for certain purposes (as described under the Privacy Act 1988 (Cth)) to:

- the Fund's service providers, related bodies corporate or other third parties for the purpose of account maintenance and administration and the production and mailing of statements, such as the Unit Registry, Custodian or auditor of the Fund and certain software providers related to the operational management and settlement of the Units; or
- related bodies corporate that might not be governed by Australian laws for the purpose of account maintenance and administration.

The Responsible Entity may also disclose an investor's personal information to:

- market products and services to them; and
- improve customer service by providing their personal details to other external service providers (including companies conducting market research).

If any of the disclosures in the previous bullet points require transfer of an investor's personal information outside of Australia, the investor consents to such transfer.

All personal information collected by InvestSMART will be collected, used, disclosed and stored by InvestSMART in accordance with its privacy policy, a copy of which will be made available on request.

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 (Aust) and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

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 made under that Act sets out how the offer must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime. The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (www.fma.govt.nz). The Australian and New Zealand regulators will work together to settle your complaint.

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

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

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

If you expect the financial products 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.

The dispute resolution process described in this offer document is only available in Australia and is not available in New Zealand.

11. Glossary

Terms	Definition
$, A$ or dollar	Australian Dollar
AFCA	Australian Financial Complaints Authority
AFS Licence	Australian financial services licence
AML/CTF Act	Anti-Money Laundering/Counter-Terrorism Financing Act
Applicant	Funds received by the Responsible Entity in relation to an investment Application in the Fund.
Application	A person who applies to invest in the Fund.
Application Monies	Funds received by the Responsible Entity in relation to an investment Application in the Fund.
AQUA Rules	ASX Operating Rules that apply to the quotation on ASX of funds, ETFs and other structured securities and products such as the Units.
ASIC Relief	Any declaration made or exemption granted by the Australian Securities & Investments Commission that is applicable to the Fund and that is in force.
ASX Listing Rules	The listing rules of the ASX from time to time.
ASX Operating Rules	The operating rules of the ASX from time to time.
ASX Trade	The trading market offered by ASX for AQUA products such as funds, ETFs and other structured securities and products such as the Units.
ASX Trading Day	The day and time during which shares are traded on the ASX.
ATO	Australian Taxation Office
Business Day(s)	The days identified by ASX upon which settlement occurs. In addition to weekends, a number of public holidays are also declared by ASX to be non-business days.
CHESS	Clearing House Electronic Sub-register System, the Australian settlement system for Growth and other issued products traded on ASX and other exchanges. CHESS is owned by ASX.
Compliance Plan	The Compliance Plan of the Fund.
Constitution	The Constitution of the Fund.
Corporations Act	Corporations Act 2001 (Cth)

Terms	Definition
Custodian	The entity that holds the assets of the Fund on behalf of the Responsible Entity.
FATCA	Foreign Account Tax Compliance Act
Fund	Intelligent Investor Select Value Share Fund - Active ETF
GST	Goods and Services Tax
iNAV	Inidicative NAV per Unit
Investment Manager or Intelligent Investor	Intelligent Investor Holdings Pty Ltd ACN 109 360 983
InvestSMART Group	InvestSMART Group Limited ACN 111 772 359 together with its wholly owned subsidiaries.
Management Costs	The Management fees and costs described in Section 9 of this PDS.
Market Making Agent	A market participant engaged by the Responsible Entity to provide market making and associated services to the Fund.
NAV	Net asset value.
NAV Permitted Discretions Policy	The NAV pricing permitted discretions policy of the Fund.
NAV per Unit	The NAV per Unit is calculated by dividing the NAV of the Fund by the number of Units on issue.
PDS	This product disclosure statement as amended or supplemented from time to time.
Registry Services Agreement	The registry services agreement in respect of the Fund between the Responsible Entity and the Unit Registry.
Responsible Entity or InvestSMART	InvestSMART Funds Management Limited ABN 62 067 751 759; AFS Licence No. 246441.
Unit or Units	The securities on offer under this PDS.
Unit Registry	MUFG Corporate Markets (AU) Limited ABN 54 083 214 537, being the entity that will operate the registry for the Units.

12. Contact details

Responsible Entity

InvestSMART Funds Management Limited
Level 2, 66 Clarence Street
Sydney NSW 2000

1300 880 160
invest@intelligentinvestor.com.au
www.intelligentinvestor.com.au

Unit Registry

MUFG Corporate Markets, a division of
MUFG Pension and Market Services
Liberty Place
Level 41, 161 Castlereagh Street Sydney
NSW 2000

1300 420 094
support@cm.mpms.mufg.com

Custodian

Apex Fund Services Pty Ltd
Level 10, 12 Shelley Street
Sydney, NSW, 2001

1300 133 451
registry@apexgroup.com