

# U Ethical

# Australian Equities Trust

**Product Disclosure Statement** 1 July 2020

Issued by **Uniting Ethical Investors Limited** trading as **U Ethical** ABN 46 102 469 821 AFSL 294147

**Contact us**

U Ethical

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This Product Disclosure Statement (**PDS**) is issued by Uniting Ethical Investors Limited trading as U Ethical, the Responsible Entity of the U Ethical Australian Equities Trust (ARSN 610 023 606) (**Trust**).

This PDS is a summary of the significant information you need to make a decision. It includes reference to important information that forms part of the PDS and is included in the U Ethical Australian Equities Trust Additional Information Booklet dated 1 July 2020 (the **Additional Information Booklet or AIB**). The AIB can be found on our website or obtained by calling us on 1800 996 888. The relevant important information is referred to at the end of each section of this PDS. You should consider this additional important information before making your decision about investing in the Trust.

Although key provisions of the Constitution of the U Ethical Australian Equities Trust (the **Trust**) are explained in the AIB, a complete copy of the Constitution is available on request.

Information in this PDS is general information only and does not take into account your personal financial situation or needs. You should obtain financial advice that is tailored to your personal circumstances.

The information in this PDS is up-to-date at the time of preparation. However, information in this PDS is subject to change from time to time. Information that is not materially adverse information can be updated by us. Updated information can be obtained from our website or by contacting us on 1800 996 888. You can request a paper copy of any updated information at any time free of charge.

Investment in this product is only available to investors receiving this PDS (electronically or otherwise) within Australia. This PDS does not constitute an offer or recommendation in any jurisdiction, or to any person to whom it would be unlawful to make such an offer.

For the purposes of this PDS, a "Business Day" means any day other than a Saturday, Sunday or public holiday on which the banks in Victoria are generally open for business and all times are Melbourne time.

All monetary amounts referred to in this PDS are given in Australian dollars and all contact numbers are to contact numbers in Australia (unless otherwise stated).

## 1. About U Ethical

U Ethical is the responsible entity and investment manager of the Trust. As the responsible entity, we are responsible for overseeing the operations of the Trust. As the investment manager, we are responsible for selecting and managing the assets of the Trust.

U Ethical is a public company limited by guarantee and an autonomous social enterprise of the Uniting Church with an independent board. We are an investment manager with a difference. We believe in creating a better world by investing with purpose—today and into the future. Our oldest funds were established in 1985 and over recent years, we have grown steadily to become one of the largest ethical investment managers in Australia.

## 2. How the Trust works

The Trust is a registered managed investment scheme and is structured as a unit trust. When you invest in the Trust, your money is pooled together with the money of other investors and invested in accordance with the Trust's investment strategy.

### Who can invest

The trust is open to Australian retail investors, including individuals, trustees (including superannuation trustees), companies and partnerships typically wishing to invest less than \$500,000. U Ethical offers a range of products for retail and wholesale investors that may suit your needs. Please contact us for more details.

### Units and unit prices

When you invest in the Trust, you will be issued with units representing the value of your investment. Your units will represent the value of your interest in the Trust. The number of units you will receive is dependent on the amount of money you invest and the unit price at the date of your application.

Unit prices reflect the market value of the assets of the Trust and consequently will rise or fall as the market value of the assets in the Trust rises or falls.

You can increase the number of units you hold by reinvesting distributions or making an additional investment, or decrease the number of units you hold by making a redemption. Certain rights are attached to units and these rights are exercisable by the person who owns them (referred to as "you", "direct investor" or "unitholders" throughout this PDS).

### How to invest

You can make an investment in the Trust by sending us a correctly completed application form together with the required supporting identification documentation.

### Minimum investment

The minimum initial investment is \$2,000. Additional investments of at least \$200 can be lodged at any time. If you wish to set up a regular investment plan, an initial investment of \$1,000 is acceptable. Please see section 3

of the Additional Information Booklet for more information about a regular investment plan.

### Payment methods

Payment by electronic funds transfer or by cheque is acceptable. We can also establish a direct debit from a nominated Australian bank account. Cash is not accepted.

### How to redeem

You can redeem some or all of your investment at any time by sending us a correctly completed redemption form. If your redemption request results in your remaining investment in the Trust falling below \$1,000, we may require you to redeem your entire balance. Redemptions from the Trust will be paid directly to your nominated Australian bank account. You can usually expect to receive the proceeds within 7 business days after receipt and acceptance of your redemption request. However, in January and July when distributions are being processed, this may extend to 10 business days.

Redemption requests must be signed by all relevant parties unless authority to operate the account allows for a single signatory. The Trust permits those registered for the purpose to make redemptions by telephone during normal office hours up to maximum of \$25,000, subject to the completion of an identification process and acceptance of valid relevant authority form by U Ethical.

### Restrictions on redemptions

There may be circumstances when redemptions from the Trust are staggered or suspended, for example when the Trust is illiquid (as defined by the *Corporations Act 2001*). During such periods, your ability to redeem may be restricted and you may have to wait before you can redeem some or all of your investment.

### Processing

Valid application and redemption requests, including cleared funds for applications, received before 3.00 pm Melbourne time on a business day in Victoria are processed the next business day at the application price applicable on the day of receipt of the request. Application and redemption requests received after 3.00 pm are taken as being received on the following business day. Unit prices, which reflect the net asset value of the Trust's investments, are calculated each business day after all relevant securities markets close.

If an invalid or incomplete application or redemption request is received, it will be processed on the day we receive the correct documentation and cleared funds. The cut-off times noted above apply.

You will receive a written acknowledgment for each application and redemption.

Applications and redemptions are suspended for a brief period half-yearly for completion of distributions to existing unitholders.

## Valuation and unit price calculation

Valuations are performed on the Trust every business day. The value of the Trust is the total market value of all the assets less the total liabilities including accrued liabilities.

Investors in the Trust are issued units which have a unit price. The unit price is calculated by dividing the total net assets by the number of units on issue. For example, if \$1,000,000 of net assets is held and there are 1,000,000 units on issue, the unit price would be \$1. Application and redemption unit prices are then calculated by applying a buy or sell spread to the unit price. The buy/sell spread is an estimate of the costs of buying and selling the underlying assets of the Fund as a result of applications or redemptions in the Fund.

You can obtain further information about our unit pricing policy by contacting us. Application and redemption prices are available on our website or by contacting us during business hours.

## Distributions

The income of the Trust may include dividends, interest and net capital gains from the sale of investments. Income distributions are generally made half-yearly on 31 December and 30 June. Expenses are deducted to calculate net income. The distribution per unit will be notified upon payment. However, there may be periods in which no distributions are made, or we may make interim distributions. We do not guarantee any particular level of distribution.

Net realised capital gains will be distributed proportionately to investors who hold units on 30 June following the realisation of the gain. Unrealised capital gains will not be distributed, but will be reflected in the unit price.

Distribution payments are generally made within ten (10) Business Days after the end of the distribution period.

At your request, the income distribution may be:

- Reinvested in the Trust,
- Credited to a U Ethical cash product account nominated by you, or
- Credited to your nominated Australian bank account

If no preference is indicated on your application form or if we do not have valid Australian bank account details, income distributions will be reinvested. You may change your distribution option by notifying us in writing at least 30 Business Days prior to the end of the relevant distribution period. Distributions will be reinvested using the unit price for the last Business Day of the relevant distribution period, adjusted to exclude the income to be distributed for the distribution period and any buy/sell spread.

**You should read the important information about “How the Trusts works” in the Additional Information Booklet before making a decision. The material relating to how the Trust works may change between the time you read this PDS and the day when you acquire the product.**

## 3. Benefits of investing in the Trust

### Significant features

The Trust is designed to meet the needs of investors seeking to create positive impact alongside competitive financial returns. It provides exposure to a diversified portfolio of Australian equities subject to U Ethical's ethical investment policy. Financial evaluation is focussed on quality and value. Financial returns are expected in the form of moderate income and long-term capital growth.

### Our ethical investment philosophy

U Ethical's investment philosophy ensures that all investment decisions are in keeping with our vision and that they promote careful financial stewardship. This is achieved through the application of positive and negative screens, and engagement with companies— together with a focus on competitive economic returns and sustainability. A copy of the Ethical Investment policy is available on our website, <https://www.ueethical.com/about-us/corporate-governance> or contact us for a copy.

### Significant benefits

**Ethical investment** – Investments are managed in accordance with a comprehensive ethical investment policy

**Liquidity** – The underlying investments are liquid so investors can generally redeem investments at any point in time.

**Professional funds management** – Investing is complex and time consuming and the Trust offers investors access to the expertise and experience of a professional investment manager.

**Portfolio diversity** – The Trust enables investors to obtain exposure to a greater number and diversity of ethically screened companies (both by industry sector and geography) than would typically be possible for a sole investor.

**Risk management** – The Trust provides investors with the opportunity to diversify, and hence manage, the risks involved in investing in Australian equities.

**Income** – Investors have the potential to receive regular income in the form of half-yearly distributions.

**Reinvestment of distributions** – Investors have the ability to automatically reinvest income distributions in the Trust with no entry or transaction costs.

**Regular reporting** – Quarterly reports on the Trust will be sent to you and you will receive statements every six months (31 December and 30 June) detailing income distributions, account balances and transaction summaries.

**Regular investment plan** – investors can make regular additional investments, an ideal way to save and accumulate long-term wealth.

**Reliable client service** – We endeavour to provide superior and personalised service to all Trust investors.

**You should read the important information about “Benefits of investing in the Trusts” in the Additional Information Booklet before making a decision. The**

material relating to the benefits of investing in the Trust and its key features may change between the time you read this PDS and the day when you acquire the product.

## 4. Risks of investing in the Trust

All investments carry some level of risk. The likely investment return and risk of losing money is different for each managed investment scheme as different strategies carry different levels of risk depending on the portfolio of assets that make up the scheme strategy. Those assets with potentially higher long-term returns may also have a higher risk of losing money in the shorter term.

Risk can be managed but it cannot be completely eliminated. It is important to understand that:

- The value of investments will rise and fall;
- The level of investment returns will vary, and future returns may differ from past returns;
- Returns are not guaranteed and there is a risk income distributions will not be received and that investors may lose some of their money; and
- Laws affecting investments in a managed investment scheme may change over time.

The appropriate level of risk for you will depend on various factors and may include your age, investment timeframe, where other parts of your wealth are invested and your overall tolerance to risk. You may wish to consult a licensed financial adviser to better understand the risks involved in investing in this Trust.

### Significant risks

The significant risks of the Trust include, but are not limited to:

#### Risks specific to the Trust's assets

**Company specific risk:** Investments in a company's securities will be subject to the risks to which that company is itself exposed. They include changes in management, actions of competitors and regulators, changes in technology and market trends.

**Concentration risk:** As the Trust will hold a concentrated portfolio of 20 to 40 investments, returns may be dependent upon the performance of individual companies. The concentrated exposure may lead to increased volatility in the unit price and increased risk of poor performance.

**Counterparty risk:** There is a risk that the Trust may incur a loss arising from the failure of another party to a contract (the counterparty) to meet its obligations. Counterparty risk arises primarily from investments in cash, derivatives and currency transactions. Substantial losses can be incurred if a counterparty fails to deliver on its contractual obligations.

**Currency risk:** The companies the Trust invests in may earn revenue in foreign currencies and may or may not choose to hedge their foreign currency exposures. Currency markets can be extremely volatile and are subject to a range of unpredictable forces. Adverse movements in the Australian dollar relative to other

currencies may negatively impact investment values and returns.

**Derivatives risk:** The value of a derivative is derived from the value of an underlying asset and can be highly volatile. Changes in the value of derivatives may occur due to a range of factors that include rises or falls in the value of the derivative in line with movements in the value of the underlying asset, potential liquidity of the derivative and counterparty credit risk.

#### Risks specific to the Trust's investment strategy

**Investment selection risk:** The risk that the specific investments of the Trust selected by U Ethical may not perform as expected, which can have an impact on the performance of the Trust.

**Liquidity risk:** Whilst the Trust 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 Trust may be unable to liquidate sufficient assets to meet its obligations, including payment of redemptions, within required timeframes or it may be required to sell assets at a substantial loss in order to do so.

**Macro-economic risk** – The general state of the Australian and international economies as well as changes in taxation policy, monetary policy, interest rates, currency exchange rates and statutory requirements are some of the factors which may influence the progress of financial markets and individual companies.

**Market risk:** There is a risk that the market price of the Trust'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, and environmental and technological issues.

**Performance risk:** There is a risk that the Trust may not achieve its investment objectives.

**Pooled investment scheme risk:** The market prices at which the Trust is able to invest inflows, or sell assets to fulfil outflows, may differ from the prices used to calculate entry and exit unit prices. Investors in the Trust may therefore be impacted by other investors entering and exiting the Trust. The impact will depend on the size of inflows or outflows relative to the Trust, and on the price volatility of the securities in which the Trust invests. Inflows and outflows may also affect the taxable income distributed to an investor during a financial year.

#### General risks

**Conflicts of interest risk:** U Ethical and its various service providers may from time to time act as issuer, investment manager, custodian, unit registry, broker, administrator, distributor or dealer to other parties or trusts that have similar objectives to those of the Trust. Such conflicts of interest include but are not limited to: management of multiple accounts with varying fee arrangements, trade allocation, proxy voting and staff personal trading. It is

possible that either U Ethical or its service providers may have potential conflicts of interest with the Trust. U Ethical may invest in, directly or indirectly, or manage or advise other trusts which invest in assets which may also be purchased by the Trust. Neither U Ethical nor any of its affiliates nor any person connected with it is under any obligation to offer investment opportunities to the Trust. U Ethical maintains a conflicts of interest and related party transactions policy to ensure that it manages its obligations to the Trust such that all conflicts (if any) are resolved fairly.

**Operational risk:** Operational risk includes those risks which arise from carrying on an investment management business. The operation of the Trust requires U Ethical, the custodian and other service providers to implement sophisticated systems and procedures. Inadequacies with these systems and procedures or the people operating them could lead to a problem with the Trust's operation and result in a decrease in the value of units.

**Personnel risk:** The skill and performance of U Ethical as investment manager can have a significant impact (both directly and indirectly) on the investment returns of the Trust. Changes in key personnel and resources of U Ethical may also have a material impact on investment returns of the Trust.

**Regulatory risk:** There is a risk that a change in laws and regulations governing a security, sector or financial markets could have an adverse impact on the Trust or on the Trust's investments. A change in laws or regulations can increase the costs of operating a business and/or change the competitive landscape.

**Trust risk:** Trust risk refers to specific risks associated with the Trust, such as termination and changes to fees and expenses. The performance of the Trust or the security of an investor's capital is not guaranteed. There is no guarantee that the investment strategy of the Trust will be managed successfully, or will meet its objectives. Failure to do so could negatively impact the performance of the Trust. An investment in the Trust is governed by the terms of the Trust's constitution and this PDS, each as amended from time to time. U Ethical may elect, in accordance with the Trust's constitution and the Corporations Act 2001, to terminate the Trust for any reason.

**You should read the important information about "Risk of investing in the Trust" in the Additional Information Booklet before making a decision. The material relating to the risks of investing in the Trust may change between the time you read this PDS and the day when you acquire the product.**

**Warning: before deciding whether to invest in the Trust, you should consider the likely investment return of the Trust, the risk involved in investing in the Trust, and your investment time frame.**

### Investment style

|  |   |                               |
|--|---|-------------------------------|
| <b>Investment return objective</b>                         | To achieve competitive risk adjusted returns over the medium to long term while limiting harm and creating positive impact through the implementation of U Ethical's ethical investment policy  |                               |
| <b>Benchmark</b>   | S&P / ASX 300 Accumulation Index  |                               |
| <b>Minimum suggested time frame for holding investment</b> | At least 7 to 10 years  |                               |
| <b>Asset classes and asset allocation ranges</b>           | <b>Asset class</b>  | <b>Asset allocation range</b> |
|  | Australian equities   | 90 – 100%                     |
|  | Cash and cash equivalents   | 0 – 10%                       |
| <b>Risk level*</b>   | <b>High</b>   |                               |
| <b>Investment strategy and ethical investment policy</b>   | The Trust provides exposure to a diversified portfolio of Australian equities subject to U Ethical's ethical investment policy. Financial evaluation is focussed on quality and value.  |                               |
| <b>Changes to the Trust's details</b>                      | U Ethical may make changes to the Trust from time-to-time, including changes to the types of investments, and in some cases without prior notice to investors. U Ethical will notify investors of any material changes in the next scheduled communication or as otherwise required by law. |                               |

\* The risk level is not a complete assessment of all forms of risk. You should consider all forms of risk in assessing whether the Trust will meet your investment objectives.

**You should read the important information about "How we invest your money" in the Additional Information Booklet before making a decision. The material relating to how we invest your money may change between the time you read this PDS and the day when you acquire the product.**

## 5. How we invest your money

## 6. Fees and costs

### Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns. For example, total annual fees and costs of 2 per cent of your fund balance rather than 1 per cent could reduce your final return by up to 20 per cent 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 investor services justify higher fees and costs. You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the Trust or your financial adviser for more information.

### To find out more

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

The table below shows the direct and indirect fees and costs that you may be charged by the Trust.

| Type of fee or cost  | Amount <sup>1</sup>  |
|--|--|
| Fees when your money moves in and out of the Trust                                       |  |
| <b>Establishment fee</b> – the fee to open your investment                               | Nil  |
| <b>Contribution fee</b> – the fee on each amount contributed to your investment          | Nil  |
| <b>Switch fee</b> – the fee to switch your investments                                   | Nil  |
| <b>Redemption fee</b> – the fee to close your investment                                 | Nil  |
| <b>Exit fee</b>  | Nil  |
| <b>Management costs <sup>2</sup></b><br>The fees and costs for managing your investments | Estimated up to 1.315% <sup>3</sup> pa or \$658 for every \$50,000 invested in the Trust |

### Notes

1. Unless otherwise stated, fees and costs disclosed in this section are inclusive of the net effect of goods and services tax (GST), if applicable.
2. Management fees may be negotiated with some wholesale clients (as defined by the Corporations Act).
3. The management fee is calculated daily and payable at the end of each month based on the Trust's net asset value. This management cost amount consists of the management fee charged and costs incurred during the previous financial year. There are no costs (including indirect costs) incurred by the Trust in the previous financial year.

### Additional information about fees and costs

Fees and costs are deducted from the income of the Trust and will be retained by us to meet management and operational costs, charges, expenses and outgoings, and to make annual charitable grants from our operating surplus.

The management costs are deducted before income is distributed to investors. Therefore, fees and costs will not appear as a deduction on income distribution statements.

### Transactional and operational costs

Transactional and operational costs include costs such as brokerage, stamp duty and other taxes, and settlement and clearing costs.

The Trust's buy/sell spread of 0.25% covers the transactional and operational costs involved in facilitating applications, switches and redemptions. The spread is borne by investors when an application or redemption is made so that other investors in the Trust do not bear these costs. The spread is \$125 for every \$50,000 invested or redeemed.

### Performance fees and commissions

The Trust does not charge a performance fee nor does it pay any commissions to financial advisers.

### Changes in fees

We may increase or decrease fees for a number of reasons, including changes in the market or regulatory environments or from changes in costs. For any fee increase, we will provide you with at least 30 days' written notice. For fee decrease, please refer to our website [www.uethical.com](http://www.uethical.com) or contact us for information.

### GST

Goods and services tax (GST) is not payable on the issue, redemption, or transfer of investments in the Trust, as these are input taxed financial supplies for GST purposes. The fees and costs shown in this section, unless otherwise stated, are inclusive of the net cost of GST. If the GST rate or arrangements change, the total amount payable may change even though those fees due to U Ethical are not increased.

### Example of annual fees and costs of the Trust

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

| Example: balance of \$50,000 with a contribution of \$5,000 during the year * |                 |   |
|---|-----------------|---|
| <b>Contribution fees</b>  | Nil             | For every additional \$5,000 you put in you will be charged \$0                         |
| <b>Plus Management costs</b>  | Up to 1.315% pa | And for every \$50,000 you have in the Trust, you will be charged up to \$658 each year |

**Example: balance of \$50,000 with a contribution of \$5,000 during the year \***

**Equals  
Total cost of  
the Trust**

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 up to \$658

\* This example assumes management costs are calculated on the balance of \$50,000 with the \$5,000 additional investment occurring at the end of the first year. Therefore management costs are calculated on a \$50,000 balance only. It assumes no market movement in the value of the assets, no reinvestment of income and no redemptions are made during the year. This example does not capture the impact of the buy/sell spread.

**You should read the important information titled “Fees and costs” in the Additional Information Booklet before making a decision. The material relating to fees and costs may change between the time you read this PDS and the day when you acquire the product.**

## 7. How the trust is taxed

**Warning: Investing in the Trust is likely to have tax consequences. Before investing in the Trust you are strongly advised to seek your own professional tax advice about the tax consequences that may apply to you based on your 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 Trust does not pay any tax liability on your behalf. The Trust generally distributes all taxable income each financial year so that it is not subject to tax. As an investor, you will be assessed for tax on your share of the net income and net capital gains generated by the Trust. Depending on your particular circumstances, you may also be liable to pay capital gains tax when you redeem units in the Trust.

### Taxation position of the Trust

The Trust distributes all taxable income (including capital gains and tax credits, if any) to investors each half year. As such the Trust is not subject to income tax. If for any reason there is income to which no investor is presently entitled, the Trust would be taxed at the highest marginal tax rate in respect of this income.

### Taxation of distributions

Distributions from the Trust may include income (eg interest, franked or unfranked dividends or tax deferred), capital gains and/or tax credits.

You should declare distributions received on your tax return, even if they are reinvested or credited to another account.

At the end of each financial year, you will receive a Tax Statement that provides a consolidated view of all the income distributed, the tax components and a guide to help transfer this information into your tax return.

### Tax implications of redemptions, transfers or switches

Australian residents are generally subject to capital gains tax on gains when they redeem any investment, invest in another Trust or transfer units to someone else.

When you redeem, transfer or switch an investment you will need to include any capital gain or loss that is realised in your tax return. We can send you a history of all your transactions to assist in calculating any such gains or losses.

### Attribution of Managed Investment Trusts

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 AMIT regime enables a registered scheme's taxable income to be allocated to unitholders based on 'attribution' rather than present entitlement.

We, as trustee of the Trust, elect the trusts we operate into the AMIT regime where they qualify, and will therefore attribute the taxable income of the Trust to investors according to 'trust components' on a fair and reasonable basis consistent with their interests.

We will provide you with an annual statement detailing the trust components attributed to you within three months of the end of the financial year.

Reforms to the taxation of trusts are generally ongoing. You should seek your own advice and monitor the progress of announcements and proposed legislative changes on the potential impact.

**You should read the important information titled “Fees and costs” in the Additional Information Booklet before making a decision. The material relating to how the Trust is taxed may change between the time you read this PDS and the day when you acquire the product.**

## 8. How to apply

### Applications

You can make an initial investment by completing the application form available with this PDS. Before completing the application form, please ensure you have read this PDS together with the Additional Information Booklet. Please:

1. Complete all relevant sections of the application form. You must sign the application form before submission. If you have any questions regarding the completion of the application form, please speak to your licensed financial adviser or to us for more information.
2. Mail or submit your completed application form together with supporting identification documents and a completed direct debit request form or a

cheque (minimum initial investment of \$2,000, or if accompanied by an application to commence a regular investment plan and a completed and signed direct debit authority, minimum initial investment of \$1,000) to: U Ethical, Level 6, 130 Lonsdale Street, Melbourne Vic 3000.

Payment by electronic funds transfer or cheque is acceptable. Please note that we do not accept cash payments. Cheques should be:

- I. Made payable to "U Ethical", and
- II. Crossed "Not Negotiable".

**The Trustee may reject any application at its sole discretion, without giving reasons, and will return any monies received with the rejected application within five (5) business days from the date the application was rejected.**

### Cooling-off period

If you are a retail investor, a 14-day "cooling-off period" may apply to your initial investment in the Trust in certain circumstances. If, during the 14-day cooling-off period, you decide that the investment does not meet your needs, then you should immediately notify us. If you exercise your cooling-off rights we will return your money to you. However, the amount you receive will reflect any market movement up or down which means there may be taxation implications for you. We will also deduct any tax or duty incurred and a reasonable amount for transaction and administration costs. As a result, the amount returned to you may be less than your original investment.

The 14-day cooling-off period starts on the earlier of the date when you receive confirmation of your transaction or the end of the fifth calendar day after the day we issue the units to you. Please note that the cooling-off period will lapse if you transact on your account within the 14 days. Under normal circumstances refunds will be made within 7 business days of you notifying us. For more information, please contact us.

### Complaints resolution

We have an internal dispute resolution process in place to resolve any complaints or concerns you may have quickly and fairly. Any complaints or concerns should be directed to the Complaints Handling Officer by contacting us directly or in writing addressed to U Ethical, Level 6, 130 Lonsdale Street, Melbourne Vic 3000, or [info@uethical.com](mailto:info@uethical.com).

We aim to resolve your concerns at the time your complaint is received or, if not possible, within five business days. Some matters may take a longer period to investigate and for a decision on what action is to be taken. This can take up to 45 days.

If you are not satisfied with our response, you can refer the matter to the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services complaint resolution that is free to consumers. You can contact AFCA on 1800 931 678, or by writing to:

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

**You should read the important information about "How to apply" in the Additional Information Booklet before making a decision. The material relating to how to apply, investor enquiries and complaints may change between the time you read this PDS and the day when you acquire the product.**

## 9. Other information

### Additional disclosure information

The Trust is subject to regular reporting and continuous disclosure obligations. Copies of documents lodged with ASIC may be obtained from, or inspected at, an ASIC office. You can also call us to obtain copies of the following documents, free of charge:

- the Trust's annual financial report most recently lodged with ASIC
- any half year financial report lodged with ASIC after the lodgement of the annual report and before the date of this PDS
- any continuous disclosure notices posted on our website or lodged with ASIC

### Custodian

The Northern Trust Company (acting through its Australian branch) (Northern Trust) has been appointed to hold the assets of the Trust under a master custody agreement. As custodian, Northern Trust will safe-keep the assets of the Trust, collect the income of the Trust and act on directions from U Ethical to settle the Trust's trades. Northern Trust does not make investment decisions in respect of the Trust's assets it holds.

### Consent to be named

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:

- The Uniting Church in Australia, Synod of Victoria and Tasmania; and
- The Northern Trust Company.

Each party named above:

- 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.