



# GENERATOR™

A GROUP OF MANAGED INVESTMENTS DESIGNED TO  
PRODUCE INCOME OVER THE LONG TERM

PRODUCT DISCLOSURE STATEMENT

DATED 18 NOVEMBER 2008

This product disclosure statement ("PDS") is issued by Fundhost Limited ABN 69 092 517 087 AFSL 233 045 ("Fundhost") as the Responsible Entity of GENERATOR™ ARSN 127 699 754. Icon Asset Management Pty Limited ABN 25 124 028 244 ("Icon") is the Investment Manager for GENERATOR™.

This PDS is dated 18 November 2008. It has not been lodged with the Australian Securities & Investments Commission ("ASIC") and is not required by the Corporations Act 2001 ("Act") to be so lodged. ASIC takes no responsibility for the contents of this PDS.

This PDS incorporates by reference the document called the "GEM Fund Guide – a PDS Reference Document" dated 18 November 2008. This document is available from [www.freemanfox.com.au](http://www.freemanfox.com.au) or in paper form free of charge by contacting Fundhost on (02) 8223 5400.

This PDS is prepared for your general information only. It is impossible in a document of this type to take into account the investment objectives, financial situation and particular needs of each reader. Accordingly, nothing in this PDS should be construed as a recommendation by Fundhost, Icon, any associate of Fundhost or Icon, or any other person concerning an investment in GENERATOR™. Readers should not rely on this PDS as the sole basis of a decision to invest in GENERATOR™. Readers should seek their own financial, legal and taxation advice as appropriate before making a decision to invest in GENERATOR™.

Fundhost may from time to time make available updated information relating to this PDS. Investors may access this information at [www.fundhost.com.au](http://www.fundhost.com.au), or alternatively may request a paper copy of this information free of charge from their adviser or by contacting Fundhost on 02 8223 5400. The information that Fundhost will make available by way of these updates is subject to change from time to time and will not be information that is materially adverse to investors.

Investment in GENERATOR™ is only available to you on receiving the offer (electronically or otherwise) in Australia. This PDS is not an offer or invitation in relation to GENERATOR™ in any place in which, or to any person to whom, it would not be lawful to make that offer or invitation. If you received this PDS electronically Fundhost will provide you with a paper copy (together with the application form) free if you ask.

If you make this PDS available to another person, you must give them the entire PDS, including the application form and any supplementary documents.

Unless otherwise stated all fees are inclusive of GST after taking into account any expected reduced input tax credits. All monetary amounts referred to in this PDS are given in Australian dollars (unless otherwise specified).

Icon consents and has not, as at the date of this PDS, withdrawn its consent to the issue of this PDS and the statements about Icon in the form and context in which they are included throughout this PDS. Icon has not otherwise issued or caused the issue of this PDS.

The Directors of Fundhost and Icon are or may become investors in GENERATOR™ and have and may acquire more shares in Fundhost and or Icon. No amounts have been paid to a Director or proposed Director to induce them to qualify as, or become a Director of Fundhost and or Icon. Fundhost and Icon may also invest some of their own money in GENERATOR™.

# What's in this PDS?

Fundhost and Icon hope you find this PDS easy to use and encourage you to read it all before you make any investment decision.

## What's covered?

## What's this about?

## Where is it?

Glossary of Terms	Definition of financial terminology	4
GENERATOR™ at a glance	A snapshot of the key features of GENERATOR™	5
Before you start	Information about financial advice	5
The Responsible Entity	The team who administer GENERATOR™	6
The Investment Manager	The team who manage the assets of GENERATOR™	6
The investment objective of GENERATOR™	What GENERATOR™ is designed to achieve	6
Overview of GENERATOR™	Overview of the GENERATOR™ product	7
The investment strategy of GENERATOR™	How the assets of GENERATOR™ will be managed to achieve its objective	7
Description of the Underlying Funds	Underlying Funds	7
How your money is managed	The Investment Manager's unique approach to managing the assets of GENERATOR™	8
What are the benefits of GENERATOR™?	The benefits of GENERATOR™	10
What are the significant risks?	Some of the risks of investing generally and GENERATOR™ in particular	10
Fees and other costs	The costs of investing in GENERATOR™	12
Additional explanation of fees and costs	Additional information including an example of fees and costs	14
How to invest	How to invest in GENERATOR™	16
Cooling off	Your right to a cooling off period	16
Withdrawing your investment	How to withdraw from GENERATOR™	17
What about GENERATOR™'s performance and size?	Where to get information about these things	18
How are unit prices calculated?	Description of this process	18
Distributions	How you can receive distributions from GENERATOR™	18
Enquiries	Whom to contact	19
Complaints	Whom to contact	19
Application Form	The form you need to complete in order to invest in GENERATOR™	21
Direct Debit Savings Plan	Information about using the Direct Debit facility	21

# Glossary of Terms

This glossary is provided to help you understand unfamiliar or specialised terms.

Call option	Call options give the option holder, in return for paying a premium, the right but not the obligation to buy from the grantor of the option at the strike price a financial instrument or commodity during a given period.
Distribution return	Cash distributed from GENERATOR™ to investors. Distributions may be re-invested. Distribution returns can be made up of dividends, interest, rent, realised capital gains and/or other components.
Fund of Funds	An investment fund that uses an investment strategy of holding a portfolio of investments mainly in other Managed Funds rather than investing directly in shares, bonds or other securities.
Growth return	The percentage change in GENERATOR™'s unit price over a period.
Gearing	The relationship between the sum of the cash contributed to a fund by investors and some form of outside borrowing. Gearing is generally expressed as a ratio. A fund is described as "highly geared" if borrowed funds are high in relation to the amount investors have contributed.
Investment Manager	Icon Asset Management
Leverage	The amount of debt used to finance a fund's assets. A firm, trust or entity with significantly more debt than equity is considered to be highly leveraged.
Listed Investment Company	A listed investment company is a trust or company that invests in assets and is itself listed on a stock exchange.
Management Costs	This is the total of fees, costs and charges levied against a fund expressed as a percentage of the fund's average value of assets over a year.
Managed Funds	An investment product which enables investors to pool their funds and access a greater range of investments than if each investor had acted individually.
Platform	An investment platform,
Portfolio	The investment portfolio of GENERATOR™ comprising the Underlying Funds and cash.
Risk Management	The strategy used to control outcomes to a known or predictable range of gains or losses.
Short Selling	Selling a security or commodity that you do not yet own, believing it will fall in price and can be bought later at a lower price, thereby producing a profit.
Total Return	The sum of Distribution and Growth returns.
Underlying Funds	The vehicles in which GENERATOR™ invests. They include Managed Funds and Listed Investment Companies.
Unit Trust	A Managed Fund in which investors hold units which may fluctuate in value depending on the market performance of the underlying assets.
Unlisted investments	Investments that are not listed on any stock exchange.
Platform	An investment platform, master trust, wrap platform or account, investor directed portfolio service ("IDPS") or IDPS – like scheme through which investors indirectly invest in GENERATOR™ and other products whereby the operator of the IDPS, master trust, wrap account or platform holds the investment on behalf of investors.

# GENERATOR™ at a glance

<b>Name of Fund</b>	GENERATOR™
Responsible Entity	Fundhost
<b>Investment Manager</b>	Icon Asset Management
Investment Objective	To produce a high level of distribution return whilst carefully controlling risk
<b>Investment Strategy</b>	To invest generally in a range of carefully selected Managed Funds with a small exposure to cash
Major asset class	Australian equities
<b>Borrowing</b>	In some of the Underlying Funds only
Income distribution frequency	Quarterly
<b>Minimum initial investment</b>	\$1,000
Minimum balance	\$100
<b>Applications and withdrawals processed</b>	Monthly
Suggested investment period <sup>1</sup>	At least 3 years
<b>Risk</b>	Medium to high
Management Costs	2.34% p.a. to 3.49% p.a.

## Before you start

Using a Managed Fund as part of your investment strategy can be a very effective way of achieving your financial goals. Professional advice (i.e. from an appropriately licensed financial adviser and/or tax adviser) can be helpful before investing because no two funds are the same and every investor's situation is unique. It is important to consider if GENERATOR™ is right for you, and that it fits your investment strategy.

If you need help about investing generally, then speak to a licensed financial adviser. ASIC can help you check if they're licensed. They have a website ([www.asic.gov.au](http://www.asic.gov.au)) and can be phoned on 1300 300 630.

If you have questions about GENERATOR™, speak to your adviser or contact Fundhost.

<sup>1</sup> This suggested investment period is based on Fundhost's view about investing in GENERATOR™ which may not be appropriate for you at all times or suit your particular needs. You should regularly review all aspects of your investments.

<sup>2</sup> The indicative time frame for this investment is at least three years. There is no guarantee that GENERATOR™'s objective will be achieved. The investment objective is not intended to be a forecast. It is merely an indication of what GENERATOR™ aims to achieve over the medium to long term on the assumption that equity and bond markets remain relatively stable throughout the investment term. GENERATOR™ may not be successful in meeting this objective. Returns are not guaranteed.

# The Responsible Entity

Fundhost is the Responsible Entity of GENERATOR™. The duties of the Responsible Entity include:

- acting in the best interests of investors and, if there is a conflict between the investors' interest and its own interest, giving priority to the investors' interest;
- ensuring that the property of GENERATOR™ is clearly identified, held separately from any other property and is valued at regular intervals;
- ensuring that payments from GENERATOR™ are

made in accordance with the Constitution and the Act; and

- reporting to ASIC breaches of the Act in relation to Generator™.

Fundhost is a public company that has been established to be a Responsible Entity and provide essential services to managed investment schemes. Fundhost's core business is to operate managed investment schemes. The Fundhost team includes investment, compliance, marketing and administration professionals.

# The Investment Manager

Icon is the Investment Manager of GENERATOR™.

Icon is a financial services company that provides investment advice and management services for companies associated with Freeman Fox® Ltd ABN 17 010 763 041 ("Freeman Fox®").

Icon is a Corporate Authorised Representative of Freeman Fox® which is the holder of an Australian Financial Services Licence (246510) and a Market Participant of the Australian Securities Exchange ("ASX"). Since 1999, Freeman Fox® has been constructing model portfolios and making share and Managed Fund recommendations

to its broking and financial planning clients and at 31 March 2008 FREEMAN FOX® had more than \$550 million under advice.

In providing financial services Icon acts on behalf of Freeman Fox®.

Its Chief Executive Officer, Peter Spann, heads the investment team and is backed by an experienced team of Portfolio Managers, Researchers and Stockbrokers. Peter has over 20 years of practical, hands-on experience of selecting investments and he ensures a rigorous process is undertaken to select potential investments.

# The investment objective of GENERATOR™

The objective<sup>2</sup> of GENERATOR™ is to provide a net before tax distribution return of 10% p.a. on average over rolling 3 year periods with lower volatility than a single investment in any one equity-based income strategy and with some potential for capital growth. GENERATOR™ seeks to provide investors looking for cashflow with a convenient way of diversifying across different fund managers and income strategies within one fund.

Investments produce returns for their investors by changes in value (growth return), paying a cashflow (distribution return) or both (total return). GENERATOR™ focuses on paying investors a cashflow, although some change in value is expected.

# Overview of GENERATOR™

GENERATOR™ is a Fund of Funds.

A Fund of Funds is an investment fund that uses an investment strategy of holding a portfolio of investments mainly in other Managed Funds rather than investing directly in shares, bonds or other securities. This type of investing is often referred to as multi-manager investment.

GENERATOR™ will invest in a combination of Managed Funds, Listed Investment Companies and cash or fixed interest in accordance with its Portfolio Construction Guidelines (see page 9).

## Advantages

Investing in a Managed Fund can increase diversity compared to a small investor holding a range of securities directly. Investing in a Fund of Funds arrangement can achieve greater diversification.

An investment manager may actively manage your investment with a view to selecting the best securities.

A Fund of Funds manager will seek to select the most appropriate Underlying Funds by taking into account various manager specific factors including style and performance. This additional level of selection can provide greater stability and may reduce risks associated with a single manager.

## Disadvantages

Management fees for Fund of Funds are typically higher than those on traditional single manager Managed Funds because they include the management fees charged by the Underlying Funds. Where possible the Investment Manager will seek wholesale investment arrangements to reduce the impact of these fees on GENERATOR™. Whilst the cost of the Underlying Funds is of importance to the Investment Manager the net return to the investor for the least amount of risk is the major focus.

# The investment strategy of GENERATOR™

GENERATOR™ will invest in a portfolio of Managed Funds and ASX Listed Investment Companies that the investment team believes will provide a higher level of distribution return than a traditional equities-based buy and hold strategy.

The Underlying Funds will include various Managed Funds, including traditional long-only equity funds, long-short equity funds, buy-write equity funds, commercial property funds, and ASX Listed Investment Companies. More explanation about these types of investments follows.

# Description of Underlying Funds

## Long-only equity funds

In general, these funds trade equities based on the fund manager's view of the prospects of the company in light of changing economic, market and managerial conditions. These funds are likely to produce positive returns in times of rising markets and negative returns in times of falling markets. Most equity funds in Australia are of this type.

## Long-short equity funds

In general, these funds trade equities based on the fund manager's view of the prospects of the company in light of changing economic, market and managerial conditions. However, the fund manager is able to Short Sell. These funds are designed to produce positive returns in times

of rising and falling markets and are less common in Australia.

## Buy-write equity funds

In general, these funds trade equities based on the fund manager's view of the prospects of the company in light of changing economic, market and managerial conditions. However, the fund manager will usually sell Call Options against the assets of the fund, thereby earning a premium. These funds are designed to produce enhanced distribution returns as well as some growth return in times of rising markets. However they are likely to produce negative returns in times of falling markets. These types of funds are relatively uncommon in Australia.

## Commercial property funds

In general, these funds invest in commercial property. They may also be involved in property development and thus exposed to the construction industry. These funds are quite common in Australia.

## ASX Listed Investment Companies

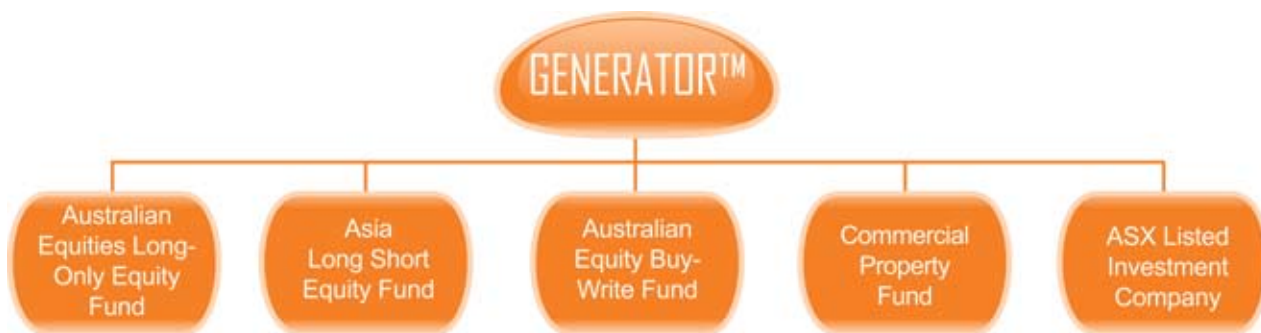
An ASX Listed Investment Company is a trust or company that invests in assets and is itself listed on the Australian Securities Exchange.

## Gearing and derivatives

It is important to note that some of the Underlying Funds may, from time to time, be Geared or Leveraged. This means that they may borrow money to invest. More information on this is on page 11. Additionally some of the Underlying Funds may, from time to time, use derivatives for speculative purposes. More information on the risks of derivatives is on page 11. GENERATOR™ will not use gearing or derivatives.

# How your money is managed

GENERATOR™ invests in Underlying Funds which, in turn, invest in a range of asset classes using a range of strategies. A simplified theoretical illustration of how this can work is set out below.



This structure provides for the investment team to develop an Underlying Fund manager evaluation model that examines the individual Underlying Funds in light of GENERATOR™'s total risk and return tolerances. This approach provides a risk management framework as well as ensuring that the Underlying Fund manager styles are known and managed. This is expected to help smooth the level of distribution returns across market cycles.

Once an Underlying Fund is selected, the investment team will classify it into one of two categories. Category A will house Australian Equities Long-Only Equity Funds, Australian Equity Buy-Write Funds that traditionally hold some downside protection, ASX Listed Investment

Companies and ungeared Commercial Property Funds that may invest both domestically and internationally.

Category B will house Long-Short Equity Funds and geared Underlying Funds that do not hold some form of downside protection and that may invest both domestically and internationally.

Icon will at its sole discretion determine the rating of an Underlying Fund as Category A or B. In determining the ultimate designation of any Underlying Fund, Icon will consider the risk profile of the Underlying Fund and, in turn, the resulting risk profile of the Portfolio.

## Portfolio Construction Guidelines

By way of guidance the following table illustrates some of the Investment Manager's current Portfolio Construction Guidelines for GENERATOR™. The number of funds in each category and the percentages are expected to change over time as circumstances change.

	MINIMUM	MAXIMUM
Percentage of Portfolio consisting of Category A Funds	50%	100%
Percentage of Portfolio consisting of Category B Funds	0%	50%
Percentage of Portfolio consisting of Cash/Bond/Fixed Interest Funds after a Reallocation Trigger Event	0%	100%
Number of Category B Funds in the Portfolio	0	4
Percentage of Portfolio with daily liquidity	60%	100%
Percentage of Portfolio consisting of geared funds	0%	50%
Number of Underlying Funds in the Portfolio	4	12
Maximum exposure to each Category A Fund	0%	25%
Maximum exposure to each Category B Fund	0%	20%
Allocation to each Underlying Fund as a percent of the assets of that Underlying Fund.	0%	25%

The investment team will regularly review the Portfolio and Underlying Funds to ensure that the investment strategy and Portfolio Construction Guidelines and Limits are adhered to.

### Reallocation Trigger Event

In addition to the regular Portfolio reviews described above, from the date of this PDS a fall in the value of the S&P/ASX 200 Index for 3 consecutive ASX trading days of cumulatively more than 10% from the highest closing price will be a Reallocation Trigger Event.

Following a Reallocation Trigger Event the Underlying Funds and allocations will be reviewed, as appropriate. The Investment Manager may review the percentage of the Portfolio holding equity exposure and, if appropriate, make recommendations on alternative Underlying Funds such as a combination of bond and fixed interest funds.

### Portfolio construction limits

The portfolio construction limits for GENERATOR™ are set out below.

TYPE OF UNDERLYING FUND	LOWER LIMIT	UPPER LIMIT	TARGET
Managed Funds	0%	100%	80 to 90%
Listed Investment Companies	0%	40%	10 to 20%
Cash	0%	80%	0 to 5%

# What are the benefits of GENERATOR™?

GENERATOR™ provides retail investors with access to Icon's investment manager selection and monitoring processes.

As an investor, you have the right to receive quarterly cash distributions made from GENERATOR™ (if any). Distributions will often include taxable capital gains although they may

also carry imputation or other tax credits. Distributions can be reinvested in GENERATOR™ or credited to your financial institution account.

An investor in GENERATOR™ would be seeking cash distributions and some growth but also accepts that the value of their investment can go up or down.

# What are the significant risks?

## About risk and return

All investments are subject to varying risks and the value of an investment can decrease as well as increase (i.e. you can experience investment gains or investment losses). Changes in value can be significant and they can happen quickly. Investments within categories can have varying performance results. These results are dictated by the individual risk characteristics of the investment, timing and market volatility.

The significant risks for GENERATOR™ are discussed below. Not all risks can be eliminated and the risk management strategies that are adopted may not always be successful. The risk management policies of Icon, including the process of fund manager selection, aim to minimise many of these risks.

If these risks happen, distributions may be lower than expected or there may be none, the value of your investment could fall and you could lose money.

## What are the risks of investing in GENERATOR™

GENERATOR™ is a Fund of Funds. Each of the Underlying Funds invests in different strategies and asset classes. As such, the risks outlined below may be present in each Underlying Fund. The Investment Manager, via the Portfolio Construction Guidelines, selects a combination of strategies and asset classes. This process may provide diversification benefits resulting in lower risk for a given expected return when compared to an investment in any one fund manager or strategy.

The Investment Manager is aiming for a risk profile for GENERATOR™ similar to an Australian equities fund and considers the risk profile of GENERATOR™ to be medium to high risk.

## Individual investment risk

Investments can (and do) fall in value for many reasons. Equities may fall in value due to changes in the relevant company's internal operations or management, or in its business environment.

Because the value of GENERATOR™'s investments in the Underlying Funds reflects the value of the investments they hold, the value of the Underlying Funds can fall. Icon aims to manage these risks by thorough and careful monitoring and analysis of Underlying Fund managers and other factors which may impact on performance of the Underlying Funds.

## Market risk

Economic, technological, political or legal conditions, interest rates and even market sentiment, can (and do) change, and this can mean that changes in the value of investment markets can affect the value of the Underlying Funds and, consequently, GENERATOR™.

## Investment manager risk

It is possible that Icon (or any one or more of the Underlying Fund managers) could cease to manage GENERATOR™ (or the relevant Underlying Fund) because they cease to operate, change their investment methodology or manage operational risks poorly. In addition, any Underlying Fund may terminate.

If this happens Fundhost would do all things reasonably practicable to recover the value of the investments and invest in a replacement Underlying Fund with a similar investment profile. If the investment profile of an Underlying Fund (or replacement Underlying Fund) changes significantly, you will be given at least 30 days' notice (where possible).

### **Key person risk**

Peter Spann and the investment team at Icon are responsible for managing GENERATOR™ and their personal circumstances can change.

This risk is reduced by having additional investment resources available through Fundhost.

### **Fund risk**

Risks particular to GENERATOR™ include that it could terminate, the fees and expenses could change (see "Can the fees change?" on page 14, Fundhost could be replaced as Responsible Entity and its management and staff could change.

There is also a risk that investing in GENERATOR™ may give different results than investing individually because of income or capital gains accrued in GENERATOR™ and the consequences of investment and withdrawal by other investors.

### **Liquidity risk**

There are circumstances under which access to your money may be delayed – these are discussed under the heading "Payments can be delayed" on page 17. Further, the level of overall market liquidity is an important factor that may contribute to the profitability of GENERATOR™ and access to your money. Illiquid markets can make it difficult to trade profitably and to realise assets in a timely fashion to meet withdrawal requests. Be aware that GENERATOR™ invests mainly in Unlisted Investments which are generally illiquid (i.e. cannot immediately be converted to cash). The proportion of GENERATOR™ that is invested in Unlisted Investments is available from Fundhost, free of charge.

Also note that units in GENERATOR™ are not quoted on any stock exchange and you cannot sell them through a stockbroker.

### **Counterparty or Default risk**

Counterparty or default risk refers to the risk that a party which has entered into a contractual obligation in relation to GENERATOR™ fails to perform their obligations. This may result in a loss of capital for GENERATOR™. Counterparties may include fund managers, banks and other parties to securities transactions.

Icon seeks to control this risk by dealing only with reputable fund managers who hold an Australian Financial Services Licence. All financial transactions for GENERATOR™, including custodial transactions, are processed by a major Australian bank.

### **Derivatives risk**

Although GENERATOR™ will not use derivatives, some of the Underlying Funds may do so from time to time for risk management and/or speculative purposes. General risks such as liquidity and counterparty risks or market risks are magnified by the use of derivatives because of the leverage effect they exert. Icon assess the derivatives risk for each Underlying Fund during the evaluation process.

### **Leverage (borrowing) Risk**

Although GENERATOR™ will not borrow to invest, some of the Underlying Funds may do so from time to time.

Leverage can be an important investment tool as through borrowing, larger amounts become available to generate returns. But whilst this can enhance any gains, conversely it can magnify any losses.

Returns from leveraged investments are also more volatile than returns from the same investments which are not leveraged. Accordingly, a geared fund will be regarded as having a higher risk profile than a comparable ungeared fund. The greater the level of gearing, the greater the potential for both significant capital gain and loss.

# Fees and other costs

## DID YOU KNOW?

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

For example, total annual fees and costs of 2% of your Fund 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 contribution fees and management costs where applicable.

Ask the fund or your financial adviser.

## TO FIND OUT MORE

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

This document shows fees and other costs that you may be charged. These fees and costs may be deducted from your money or from the returns on your investment or from GENERATOR™'s assets as a whole.

Taxes are set out in the GEM Fund Guide available at [www.freemanfox.com.au](http://www.freemanfox.com.au)

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

TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
<b>Fees when your money moves in or out of GENERATOR™<sup>3</sup></b>		
<b>Establishment fee:</b>		
The fee to open your investment.	Nil	Not applicable
<b>Contribution fee:</b>		
The fee on each amount contributed to your investment.	3.30%	Deducted from amounts you invest as and when you invest. This fee is not negotiable and is paid to Icon.
For a worked dollar example of the contribution fee please refer to the 'Example of annual fees and costs' on page 15		
<b>Withdrawal fee:</b>		
The fee on each amount you take out of your investment.	Nil	Not applicable
<b>Termination fee:</b>		
The fee to close your investment.	Nil	Not applicable

<sup>3</sup> Buy/sell spreads apply when you invest in GENERATOR™ and when you redeem money from GENERATOR™ (see "Buy-Sell spread?" on page 15 for further detail).

TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
<b>Management costs</b>		
The fees and costs for managing your investment.		
	<b>Fundhost fee</b> 0.26% p.a. of net assets	Calculated monthly based on the value of net assets of GENERATOR™ and deducted from GENERATOR™ monthly in arrears.  This fee is not negotiable.
	<b>plus</b>	
	<b>Icon fee</b> 1.03% p.a. of net assets	Calculated monthly based on the value of net assets of GENERATOR™ and deducted from GENERATOR™ monthly in arrears.  The amount of this fee can be negotiated. See 'Can fees be different for different investors?' on page 15 for more information.
	<b>plus</b>	
	<b>Recoverable expenses</b> up to 0.15% p.a. of net assets <sup>4</sup>	Paid as incurred. This amount is paid from GENERATOR™'s assets.  Additionally the Underlying Fund managers may recover expenses from their funds. Such amounts will be paid from their fund's assets and reflected in the unit prices of the Underlying Funds.  Please refer to 'Recoverable expenses and performance fees' under the heading 'Additional explanation of fees and costs' on page 14 for more information.
	<b>plus</b>	
	<b>Underlying Fund costs</b> From 0.90% p.a. to 2.05% pa.	These amounts are paid from the assets of the Underlying Funds and are reflected in the unit prices of the Underlying Funds. These amounts exclude any performance fees payable from the assets of any Underlying Funds and are not negotiable.
	<b>equals</b> From 2.34% to 3.49%  For a worked dollar example of the Management costs, please refer to 'Example of fees and costs' on page 15.	Management costs shown do not include recoverable expenses and performance fees charged by Underlying Funds. Such fees will not be paid directly by you, however these will reduce the value of your investment in GENERATOR™.  Please refer to 'Recoverable expenses and performance fees' under the heading 'Additional explanation of fees and costs' on page 14 for more information.
<b>Service Fees<sup>5</sup></b>		
<b>Investment switching fee:</b>  The fee for changing the investment options.	Nil	Not applicable

<sup>4</sup> If a performance fee is payable to an Underlying Fund manager by Fundhost (and is not reflected in the unit price for the relevant Underlying Fund) it may be recovered from GENERATOR™ as recoverable expense in addition to the recoverable expenses of up to 0.15% per annum shown.

<sup>5</sup> For information on service fees (such as telegraphic transfers), please refer to 'Service Fees' under the heading 'Additional explanation of fees and costs' on page 14.

# Additional explanation of fees and costs

## Service fees

Additional fees for additional services apply. Currently, an additional fee of \$50 is charged for withdrawals that are to be transmitted via a telegraphic transfer.

## Recoverable expenses and performance fees

As disclosed in the table on page 13, up to 0.15% per annum is charged for expenses. These are the costs for operating GENERATOR™ and are deducted from the net assets of GENERATOR™ as and when they are incurred. The Constitution of GENERATOR™ provides that expenses incurred in relation to the proper performance of Fundhost's duties as Responsible Entity are payable or reimbursable out of the assets of GENERATOR™. Should the usual costs of GENERATOR™ exceed 0.15% per annum, Icon will bear the excess amount from its own resources.

Additionally, the Underlying Fund managers may recover expenses from the assets of the Underlying Funds and be reflected in the unit prices. Although these costs are not paid directly by you, they will be reflected in the unit price of GENERATOR™.

GENERATOR™'s Constitution does not allow for performance fees to be paid to Fundhost. However performance fees may be payable to the Underlying Fund managers. If performance fees are payable under the Constitution for an Underlying Fund, they will be reflected in the unit price of that Underlying Fund. If performance fees are payable by Fundhost to an Underlying Fund manager under an agreement between Fundhost and the Underlying Fund manager, the performance fees may be recovered from GENERATOR™ as an expense. Performance fee recoveries are not subject to the 0.15% per annum limit on expenses. In either case, any performance fees are not paid directly by you, but will be reflected in the unit price for GENERATOR™.

As at the date of this PDS, Fundhost don't know and cannot accurately estimate, the expense recoveries or performance fees for the Underlying Funds. Actual performance fees will be based on the value and performance of the individual Underlying Funds. As GENERATOR™ invests in many Underlying Funds, and each Underlying Fund may, in turn, invest in many underlying investments, and each of these change in value every day, Fundhost do not know, nor can they (as at the date of this PDS) accurately estimate likely expenses or performance fees for the Underlying Funds.

## Contribution Fee

Icon will be paid the 3.30% Contribution Fee.

See page 13.

## Advisor commissions

Freeman Fox® employees may be paid bonuses based on amounts invested in any product recommended by Freeman Fox®. Refer to the Financial Services Guide or Statement of Advice provided by your Freeman Fox® adviser for more information.

### Third Party

Commissions are paid to third-party financial advisers in the following manner:

#### Contribution Fee

A portion of the Contribution fee applicable to your investment in GENERATOR™ may be paid to your financial adviser. This is not an additional cost to you.

#### Trail commission

A portion of the Icon fee may be paid to your financial adviser in monthly instalments. This is not an additional cost to you.

Fundhost maintains an Alternate Forms of Remuneration Register. The register, which you can review by contacting Fundhost, outlines some alternative forms of remuneration that may be paid to or received from licensees, fund managers or representatives (if any is paid or received at all in relation to GENERATOR™).

## Can the fees change?

Yes, all fees can change. Reasons for changing fees might include changing economic conditions and changes in regulation. The Constitution for GENERATOR™ sets the maximum amount that can be charged in fees. The approval of investors is needed in order to raise fees above the amounts allowed for in GENERATOR™'s Constitution.

Please note that the Constitution for GENERATOR™ provides for additional fees to be charged. We do not intend to charge any additional fees during the term of this PDS.

You will receive 30 days' written notice of any proposed change to Fundhost's or Icon's fees.

The fees and expenses for the Underlying Funds may change without prior notice.

You or your Platform operator will receive 30 days' written notice of any proposed change to these fees. See page 16 investing through Platform A.

## Buy-Sell spread

When you invest in GENERATOR™, Icon buy investments, and this costs money (for example, to buy shares, a sharebroker charges a fee). When you withdraw, investments are sold so cash can be paid to you, and this costs money too. This is called a buy-sell spread. A buy-sell spread is an adjustment to the unit price reflecting Fundhost's estimate of the transaction costs that may be incurred as a result of the purchase/ sale of assets arising from the issue/withdrawal of units. This adjustment ensures that existing investors do not pay costs associated with other investors acquiring/ withdrawing units in GENERATOR™. The buy-sell spread is reflected in the buy and sell unit prices (please refer to 'How are unit prices calculated?' on page 18).

Currently, the buy-sell spread is estimated to be 0.50% of the unit price (that is +0.25% on the entry price and -0.25% on the exit price). So if the net asset value of each unit is \$1.00, on entry the unit price is adjusted up approximately 0.25% (up 0.25 cents) and on exit down approximately 0.25% (down 0.25 cents). None of this amount is paid to Fundhost or Icon nor is money deducted from your account. So you won't see the buy-sell spread on any account statement.

Fundhost has a formal policy in regard to calculating the buy-sell spread and other matters impacting unit pricing. A copy of this policy (together with any departures from it) is available free on request.

## Can fees be different for different investors?

The Act allows fees with "wholesale" investors to be

negotiated. The size of the investment and other relevant factors may be taken into account. The terms of these arrangements are at the discretion of Fundhost.

If you qualify as a wholesale investor, contact Fundhost and/or Icon to see if you're eligible to negotiate fees.

## Rebates

Icon may receive and retain rebates from Managed Funds which GENERATOR™ invests in.

## Government charges and taxation

Government taxes such as GST will be applied to your account if required by law. In addition to the fees and costs described in this section, standard government fees, duties and bank charges may also apply. Some of these charges may incur additional GST and will apply to your investments and withdrawals as appropriate.

The fees outlined in the tables take into account any input tax credits which may be available.

## Product access payments

Payments of up to \$50,000 and fund manager payments of up to 0.50% of amounts invested in the Fund may be paid to your Platform provider from Fundhost's and/or Icon's own ongoing fees. So, on a \$25,000 investment these payments would be up to \$125 a year out of the administration/management fee Fundhost and/or Icon receives. These are not additional costs to investors. They are paid entirely by Fundhost and/or Icon, either as a cash payment or in the form of paid-for units in the Fund.

### **BALANCE OF \$50,000 INCLUDING A CONTRIBUTION OF \$5,000 AT THE BEGINNING OF THE YEAR**

Contribution fees 3.30%

For every additional \$5,000 you put in, you will be charged \$165 as a contribution fee.

**PLUS** Management costs<sup>6</sup> 2.34% to 3.49% per annum of net assets<sup>7</sup>

**And for every \$50,000 you have in GENERATOR™ you will be charged \$1,170 - \$1,745 each year.**

EQUALS Cost of Fund

If you invest \$5,000 at the beginning of the year and your average balance is \$50,000 over the course of the year, you would be charged \$1,335 - \$1,910.

**What it costs you will depend on the fees you negotiate with the Investment Manager.**

<sup>6</sup> See 'Management costs' in the table on page 13 for a more detailed description of how Management costs are calculated.

<sup>7</sup> Management costs include all direct and indirect management costs for managing Generator™. They do not include the transaction and operational costs of Generator™ such as the buy-sell spreads. As Generator™ invests in many Underlying Funds, and each Underlying Fund may, in turn, invest in many underlying investments, and each of these change in value every day, Fundhost do not know, nor can Fundhost (as at the date of this PDS) accurately estimate likely expenses or performance fees for the Underlying Funds. Accordingly, Fundhost have excluded expenses and performance fees charged by the Underlying Funds from the example.

<sup>8</sup> This example is calculated on the basis that your balance remains constant at \$50,000 throughout the year (i.e. no further contributions are made and Generator™'s unit price does not change). The example assumes Generator™ will claim 0.15% per annum as recoverable expenses; that no additional service fees are incurred by you and that fees are not individually negotiated.

# How to invest

You need to invest at least \$1,000 initially and you must use the application form accompanying this PDS.

If you are making an electronic funds transfer for your initial or subsequent investment, please include your name and/or investor number.

## Interest

Any interest earned on application monies held prior to the time units are issued is retained by GENERATOR™.

Additional investments of at least \$100 can be made any time using the application form from the then current PDS which is available free anytime.

Application requests will generally be processed each month using the unit price effective for the last business day of the previous month. If your application request is received before 4pm Sydney time on the last business day of the month it will be processed using the unit price effective for that day. If an application request is received after this, it is treated as having been received before 4pm Sydney time the last business day of the next month.

In-specie transfers of assets are not accepted.

## Investing through a platform?

If you're investing through a Platform, the minimum investment amount may be different, and you do not need to complete the application forms accompanying this PDS. Instead, complete the forms the Platform operator requires. If you have enquiries, that operator can help you.

If this is you, then remember that it is generally the operator of that Platform, which becomes the investor in GENERATOR™ (not you). It follows that they have the rights of an investor and can exercise them (or not) in accordance with their arrangements with you. Fundhost are not

responsible for the operation of any Platform through which you invest.

If you are investing through a Platform you will receive reports from that operator, not from us. Enquiries should be directed to that operator of the Platform. You can however still rely on the information in this PDS in regard to GENERATOR™.

If you are investing through a Platform, you should also take into account the fees and charges of the operator of that Platform.

In addition to reading this PDS, you should read the document which explains the Platform.

## Direct Debit savings plan

A direct debit savings plan is available for investors. This plan enables you to invest at least \$100 per month into GENERATOR™. If you are going to invest directly in Generator (and not through a credit provider) and wish to make regular contributions through the Direct Debit Savings Plan, then simply complete the Direct Debit Savings Plan application form and send it together with your application form for units in Generator to Fundhost at PO Box N561, Grosvenor Place NSW 1219. For more information about the Direct Debit Savings Plan please refer to page 25.

## Additional investment facility

Once invested, you can make additional investments in GENERATOR™ without an application form issued with a current PDS. When making additional investments, you should refer to the current PDS and any SPDS and additional disclosure information provided.

To make an additional investment, download the relevant form from the Freeman Fox website and post it to Fundhost with your cheque. Be sure to include your investor number.

# Cooling off

If you decide that you don't want the units issued to you in GENERATOR™, Fundhost must repay your money.

Fundhost is allowed to (and generally does) make its usual adjustments for market movements up or down, any tax and also reasonable transaction and administration

costs. For example, if you invest \$25,000 and the value of the units falls by 1% between the time you invest and the time you notify us that you wish to withdraw your investment, you would receive \$24,626 calculated as under.

Initial investment	\$25,000
Less buy spread	-\$63
Balance	\$24,937
1% Market movement	-\$249
Less sell spread	-\$62
Balance withdrawn	\$24,626

If you change your mind, you have 14 days to tell Fundhost, starting on the earlier of:

- when you are sent the confirmation that you are invested, or
- the end of the 5th day after the day on which units are issued to you.

This right terminates immediately if you exercise a right or power under the terms of GENERATOR™, such as selling part of your investment or voting on any units held by

you. For any subsequent investments made under a distribution reinvestment plan, cooling off rights do not apply.

Investors investing in GENERATOR™ via a Platform should speak to the operator of that service to determine whether cooling off rights are available to them for that service.

## Withdrawing your investment

### When you want to withdraw

Simply tell Fundhost in writing how much you need to withdraw. The request must be signed by the investors who signed the Application Form.

Withdrawals will be paid to the financial institution account that you nominate on the Application Form. Cheque withdrawals are not available.

Withdrawal requests will generally be processed each month using the unit price effective for the last business day of the previous month. If your withdrawal request is received before 4pm Sydney time on the last business day of the month it will be processed using the unit price effective for that day. If a withdrawal request is received after this, it is treated as having been received before 4pm Sydney time the last business day of the next month.

Normally once Fundhost decides you can withdraw your money (usually this happens within 61 days of receipt of your withdrawal request), the request is processed within 5 business days (although the Constitution for GENERATOR™ allows a reasonable period, which could be significantly longer than 5 days), and funds are paid to your financial institution account.

Also note that units in GENERATOR™ are not quoted on any stock exchange and you cannot sell them through a stockbroker.

### Facsimile instruction terms and conditions

Faxed withdrawal requests can only be made on the following conditions:

- faxed instructions must be legible;
- Instructions must bear the investor's investor number and signature; and
- withdrawal proceeds will only be transferred to the financial institution account previously nominated on the Application Form.

To use this service you will need to accept full responsibility (to the extent permitted by law) for loss arising from Fundhost acting upon faxed instructions which comply

with these security processes and you also agree to release and indemnify Fundhost in respect of any liabilities arising from their acting on faxed instructions, even if those instructions are not genuine. Also you agree that neither you nor any other person has any claim against Fundhost or GENERATOR™ in relation to a payment made or action taken under the facsimile instruction service if the payment is made in accordance with these conditions. These terms and conditions are additional to any other requirements for giving withdrawal instructions.

### Some detail about withdrawals

How much money you receive for each unit depends on the withdrawal price (refer 'How are unit prices calculated' on page 18).

Fundhost can withhold from amounts paid to you any amount you owe them or they owe someone else relating to you (for example, the tax office).

### Payments can be delayed

Withdrawal of your money can be delayed for such period as considered reasonable in all the circumstances if:

- there are not enough investments which can be easily turned into cash (the Act dictates this). Neither Fundhost nor Icon anticipate GENERATOR™ would ever become illiquid but if it did, the Act says Fundhost can make some money available, and allocate it on a pro rata basis amongst those wanting to withdraw;
- something outside Fundhost's control impacts on their ability to properly or fairly calculate the unit price (for example, if the investments are subject to restrictions or if there is material market uncertainty like a stock market crash) then payment can be delayed for so long as this goes on; or
- Fundhost receive withdrawal requests representing more than 20% of the net assets of GENERATOR™. In this case withdrawal payments for each of the withdrawal requests received may be staggered.

### Your invested money can be returned

Some or all of your units can be withdrawn without you asking including:

- if you breach your obligations (for example, you provide misleading information in your application form) or Fundhost need to pay any amount you owe (for example, to the tax office);
- to satisfy any amount of money due to Fundhost or Icon (as Responsible Entity or in any other capacity relevant to GENERATOR™) by you;
- to satisfy any amount of money Fundhost (as Responsible Entity or in any other capacity relevant to GENERATOR™) owes someone else relating to you (for example, to the tax office); or
- where Fundhost suspects that law prohibits you from legally being an investor.

## What about GENERATOR™'S performance and size?

GENERATOR™ is a new investment product and hence no performance information is available as at the date of this PDS.

If you are interested in:

- the up to date performance of GENERATOR™;

- the current unit price; or
- the up to date size of GENERATOR™,

then ask your advisor or go to [www.freemanfox.com.au/GENERATOR™](http://www.freemanfox.com.au/GENERATOR™) or phone 1800 000 369. Up to date information is always free of charge and is also available from Fundhost.

## How are unit prices calculated?

Unit prices are calculated in three steps.

First, the market value is calculated and the value of the liabilities as defined in GENERATOR™'s Constitution deducted.

Then an adjustment (up for the entry price, to take account of the costs of buying investments or down for the exit price to take account of the costs of realising investments) is made, and each such adjustment can be up to 0.25% of the net value of the assets of GENERATOR™. This adjustment is called the buy-sell spread and more information about it is on page 15.

Last, this result is divided by the number of units on issue to give a per unit price. Because of the adjustments

made in step two, there are two unit prices; a "buy" price and a "sell" price. The "buy" price is used when issuing units and the "sell" price is used when processing withdrawals.

There is a third type of unit price, the "mid" price. This is the unit price without any adjustments. It is used to calculate the number of units you will receive when you re-invest your distributions instead of taking them in cash. More information on this is set out below under the heading 'Distributions'.

All of these unit prices are regularly posted on Icon's and Fundhost's websites.

## Distributions

Quarterly income distributions can be reinvested in GENERATOR™ or paid to the financial institution account nominated on your Application Form. You can indicate your choice on the Application Form. If you do not make a choice then distributions will be re-invested.

Distributions cannot be paid by cheque.

Any distributions reinvested are reinvested at the ex-distribution mid price.





# Enquiries

## Contact Icon:

	telephone	1800 000 369
	fax	1800 679 796
	email	investments@freemanfox.com.au
	post	PO Box 7830, Waterfront Place Brisbane QLD 4001

# Complaints

## Contact Fundhost:

	telephone	+612 8223 5400
	fax	+612 9232 8600
	email	info@fundhost.com.au
	post	PO Box N561 Grosvenor Place NSW 1219

It helps if you have your investor number handy when you contact Fundhost. Business hours are 9.00am to 5:00pm on Sydney business days.




If you have a complaint, it is better it be made in writing

although you can call of course. Complaints will always be acknowledged and responded to within 45 days.

If you remain unhappy you can contact the independent Financial Ombudsman Service ("FOS").

# Contact FOS:

## Contact FOS:

	telephone	1300 780 808 (free call)
	email	info@fos.org.au
	post	Financial Ombudsman Service GPO Box 3 Melbourne VIC 3001

FOS is an independent body and is approved by the ASIC to consider complaints. In order for a complaint to be considered by FOS, the claim must be less than

\$150,000 (unless Fundhost and you agree otherwise in writing).

# How to complete the Application Form

To invest in GENERATOR™, please complete all relevant sections of the application form and forward your completed application form, together with your cheque or confirmation of EFT payment to:

GENERATOR™  
Fundhost Limited  
PO Box N561  
Grosvenor Place NSW 1219

If you need assistance, please telephone Fundhost on (02) 8223 5400 or email [info@fundhost.com.au](mailto:info@fundhost.com.au)

You need to provide the original of this form, not a fax. Additional application details can be faxed to 1800 679 796.

If you have obtained the PDS electronically, you should print it all and this application form, and remember that more copies are available free anytime.

## Your identity needs to be verified

Information about you is required to enable Fundhost to fulfil its obligations under the Anti-Money Laundering & Counter-Terrorism Financing Act 2006 (Cth) and related regulations and rules. If you don't provide all the information required, Fundhost may have to redeem your application at some time in the future. Fundhost will take appropriate steps to verify the information you supply, as required by law. To do this, Fundhost may disclose your information to various government agencies in Australia and overseas. Take time to read the section headed Privacy in the PDS before submitting this form.

**Providing complete and accurate information will enable Fundhost to process your application efficiently and to meet its obligations under the Act. Failure to provide the requested information and/or certified documentation may prevent or delay the processing of your application.**

## Providing certified copies of documents

If you have been asked to provide a certified copy of a document in the Application Form, please ensure:

- the certified copy includes the statement 'I certify this to be a true copy of the original document'; AND
- is signed by an eligible certifier (please refer below). The certifier must state their qualification or occupation to confirm their eligibility to certify the document.

Please note the copy actually signed by the certifier must be submitted with your application form.

## Primary photographic identification document means any of the following:

1. a licence or permit issued under a law of a State or Territory or equivalent authority of a foreign country for the purpose of driving a vehicle that contains a photograph of the person in whose name the document is issued;
2. a passport issued by the Commonwealth;
3. a passport or a similar document issued for the purpose of international travel, that:
  - contains a photograph and the signature of the person in whose name the document is issued;
  - is issued by a foreign government, the United Nations or an agency of the United Nations; and
  - if it is written in a language that is not understood by the person carrying out the verification -is accompanied by an English translation prepared by an accredited translator;
4. a card issued under a law of a State or Territory for the purpose of proving the person's age which contains a photograph of the person in whose name the document is issued;
5. a national identity card issued for the purpose of identification, that:
  - contains a photograph and the signature of the person in whose name the document is issued;
  - is issued by a foreign government, the United Nations or an agency of the United Nations; and
  - if it is written in a language that is not understood by the person carrying out the verification -is accompanied by an English translation prepared by an accredited translator.

## Primary non-photographic identification document means any of the following:

1. a birth certificate or birth extract issued by a State or Territory;
2. a citizenship certificate issued by the Commonwealth;

3. a citizenship certificate issued by a foreign government that, if it is written in a language that is not understood by the person carrying out the verification, is accompanied by an English translation prepared by an accredited translator;
4. a birth certificate issued by a foreign government, United Nations or an agency of the United Nations that, if it is written in a language that is not understood by the person carrying out the verification, is accompanied by an English translation prepared by an accredited translator;
5. a pension card issued by Centrelink that entitles the person in whose name the card is issued, to financial benefits.

## Secondary identification document means any of the following:

1. a notice that:
  - was issued to an individual by the Commonwealth, a State or Territory within the preceding twelve months;
  - contains the name of the individual and their residential address; and
  - records the provision of financial benefits to the individual under a law of the Commonwealth, State or Territory (as the case may be);
2. a notice that:
  - was issued to an individual by the Australian Taxation Office within the preceding 12 months;
  - contains the name of the individual and their residential address; and
  - records a debt payable to or by the individual by or to (respectively) the Commonwealth under a Commonwealth law relating to taxation;
3. a notice that:
  - was issued to an individual by a local government body or utilities provider within the preceding three months;
  - contains the name of the individual and their residential address; and
  - records the provision of services by that local government body or utilities provider to that address or to that person.
4. In relation to a person under the age of 18, a notice that:
  - was issued to a person by a school principal within the preceding three months;
  - contains the name of the person and their residential address; and
  - records the period of time that the person attended at the school.

## The following list of people can certify Identification Documents:

CERTIFIED COPY means a document that has been certified as a true copy of an original document by one of the following persons:

1. a person who is enrolled on the roll of the Supreme Court of a State or Territory, or the High Court of Australia, as a legal practitioner (however described);
2. a judge of a court;
3. a magistrate;
4. a chief executive officer of a Commonwealth court;
5. a registrar or deputy registrar of a court;
6. a Justice of the Peace;
7. a notary public (for the purposes of the Statutory Declaration Regulations 1993);
8. a police officer;
9. an agent of the Australian Postal Corporation who is in charge of an office supplying postal services to the public;
10. a permanent employee of the Australian Postal Corporation with 2 or more years of continuous service who is employed in an office supplying postal services to the public;
11. an Australian consular officer or an Australian diplomatic officer (within the meaning of the Consular Fees Act 1955);
12. an officer with 2 or more continuous years of service with one or more financial institutions (for the purposes of the Statutory Declaration Regulations 1993);
13. a finance company officer with 2 or more continuous years of service with one or more finance companies (for the purposes of the Statutory Declaration Regulations 1993);
14. an officer with, or authorised representative of, a holder of an Australian financial services licence, having 2 or more continuous years of service with one or more licensees;
15. a member of the Institute of Chartered Accountants in Australia, CPA Australia or the National Institute of Accountants with 2 or more years of continuous membership.

This application form accompanies the Product Disclosure Statement (PDS) for GENERATOR® issued by Fundhost Limited AFSL No. 233 045. This PDS contains important information about investing in GENERATOR®.

You should read the PDS carefully before completing this application form. Any person who gives you access to the application form must ensure that they also give you access to the PDS and any supplementary PDS.

Please complete this form clearly in blue or black ink using BLOCK letters. Initial corrections.

**1. Do you already have FREEMAN FOX® - Managed Investments?**

Yes, I am an existing investor. My Investor ID is:

You must complete one of sections 2A, 2B, 2C, 2D and you MUST ALSO complete sections 3, 4, 5 and 6.

Fundhost will use the Tax File Number (TFN) / Australian Business Number (ABN) or Exemption you have previously advised unless you request otherwise. If you do not wish to use the TFN/ABN or Exemption already advised, please tick this box:

- No, I am a new investor. I am applying as:
- An individual investing on own behalf – complete 2A. You MUST ALSO complete sections 3, 4, 5 and 6.
  - An individual investing as a sole trader – complete 2A and 2B. You MUST ALSO complete sections 3, 4, 5 and 6.
  - A company investing on own behalf – complete 2C. You MUST ALSO complete sections 3, 4, 5 and 6.
  - A company or Self Managed Super Fund investing as a trustee – complete 2C and 2D. You MUST ALSO complete sections 3, 4, 5 and 6.
  - A company investing as the responsible entity of a registered managed investment scheme – complete 2C and 2D. You MUST ALSO complete sections 3, 4, 5 and 6.

If you are investing in another capacity, please contact Fundhost.

**2A. Individual investors**

Investor 1  Office Use Only

Title  Mr  Mrs  Miss  Ms  Other:

Given Names

Surname  Date of birth:  /  /

Occupation

Residential address (must NOT be PO Box):

State:  Postcode:

You do not have to provide your TFN. However, if you do not, Fundhost is required to deduct tax at the highest marginal rate (plus Medicare Levy) from the distributions made to you.

Tax File Number:  or exemption:

You need to provide the following support documentation (failure to verify your identity at the time your application is received may prevent or delay the processing of your application):

- Original or certified copy of primary photographic identification document (eg. driver's licence), OR
- Original or certified copy of primary non-photographic identification document AND original or certified copy of secondary identification document showing name and either residential address and/or date of birth.

Investor 2  Office Use Only

Title  Mr  Mrs  Miss  Ms  Other:

Given Names

Surname  Date of birth:  /  /

Occupation

Residential address (must NOT be PO Box):

State:  Postcode:

You do not have to provide your TFN. However, if you do not, Fundhost is required to deduct tax at the highest marginal rate (plus Medicare Levy) from the distributions made to you.

Tax File Number:  or exemption:

You need to provide the following support documentation (failure to verify your identity at the time your application is received may prevent or delay the processing of your application):

- Original or certified copy of primary photographic identification document (eg. driver's licence), OR
- Original or certified copy of primary non-photographic identification document AND original or certified copy of secondary identification document showing name and either residential address and/or date of birth. 2B. Sole trader/If you are a sole 2B.

## 2B. Sole trader

If you are a sole trader please provide your:

Full business name:

ABN/ARBN:

Business address (if different from address given in 2A):

State:  Postcode:

## 2C. Australian company

Full legal name:

ABN/ARBN/ACN:

Full registered address in Australia:

State:  Postcode:

Principal place of business (if different from registered address):

State:  Postcode:

Is company registered by ASIC as a public company or a proprietary company?

Public company:  Listed public company OR  Majority-owned subsidiary of a listed public company

Proprietary company. Please provide the name of each director:

Licensed. Please provide name of regulator and licence number:

## 2D. Trustee/Self Managed Super Fund Company

Office Use Only

Name of the Trust:

Full business name (if any) of the Trustee:

ABN/ARBN/ACN:

Was the Trust formed/incorporated in Australia:

Yes  No. Please state country of incorporation:

What type of Trust is this?

Private discretionary trust

Private unit trust

Public unit trust

Registered managed investment scheme (as defined by the Corporations Act 2001 [Cth])

Unregistered managed investment scheme (as defined by the Corporations Act 2001 [Cth])

Does the trust have only wholesale clients (as defined by the Corporations Act 2001 [Cth]), or both wholesale and retail clients?

Wholesale clients only  Wholesale and retail clients

Does the trust make small scale offerings to which section 1012E of the Corporations Act 2001 [Cth] applies?

Yes  No

Self managed superannuation fund (as defined by the Superannuation Industry (Supervision) Act 1993 [Cth])

Registrable superannuation entity (as defined by the Superannuation Industry (Supervision) Act 1993 [Cth])

Government superannuation fund established by legislation

Other type of trust:

Please provide the name of each beneficiary (if members of a class, insert details of each class):

You need to provide the following support documentation (unless the trust is a registered managed investment scheme). Failure to verify your identity at the time your application is received may prevent or delay the processing of your application):

Original trust deed, OR  Certified copy of trust deed, OR  Certified extract of trust deed showing the full name of the trust.

## 3. Investor contact details

Please indicate who you would like to receive all unitholder correspondence.

Contact name:

Entity name (if applicable):

Postal address:

State:  Postcode:

Daytime Phone Number: ( ) Email:

Would you like to receive a copy of the Fund's Annual Report?  Yes  No

#### 4. Account signing authority

Please indicate who can give instructions in relation to the investment:

- Signatory 1 AND 2  Either Signatory 1 OR 2  
 Signatory 1 ONLY  Signatory 2 ONLY  
 Allow other authorised signatories (you must provide a certified copy of all authorised signatories)

If you do not tick one of the above options, all future instructions must be signed by all signatories or as otherwise permitted by law.

#### 5. Investment information

##### INITIAL INVESTMENT

I wish to invest the following amount in GENERATOR<sup>®</sup> (the minimum investment amount is \$1,000):

\$ .00

Make cheques payable in Australian dollars to 'GENERATOR<sup>®</sup>'. Ensure that your cheque is crossed 'Not negotiable'.

Electronic funds transfers can be made. Please fax us details and include your investor number in the payment. The account name is shown above. Our account details are BSB 083 043, Account 85 818 1789.

I wish any distributions by the Fund to be:

- reinvested as additional units in the Fund  
 paid to the following Australian bank account:

Name of financial institution:

Branch number (BSB): Account number:

Account name:

##### ONGOING INVESTMENT

A direct debit savings plan is available for investors in GENERATOR<sup>®</sup>. This plan enables you to invest at least \$100 per month into GENERATOR<sup>®</sup>. The application form is on page 26.

#### 6. Declaration

I/we request Fundhost to issue the units applied for and authorise Fundhost to register the applicant(s) as the holder(s) of the units and declare that the execution of this Application Form by me/us constitutes a representation by me/us that:

- this Application was detached from a PDS for GENERATOR<sup>®</sup> dated 18 November 2008
- the PDS and application form were provided to me/us at the same time
- I/we read and understood that PDS
- I/we understand that neither the repayment of capital nor the performance of GENERATOR<sup>®</sup> is guaranteed
- I/we agree to be bound by the terms of the PDS and the Constitution of GENERATOR<sup>®</sup>, as amended from time to time, and understand that a copy of the Constitution is available to me/us for free if I/we wish
- the details given in this application are correct
- I/we declare that I am/we are not commonly known by any other names different from those disclosed in this application form
- I/we am/are over 18 years of age
- I/we declare that I am/we are not commonly known by any other names different from those disclosed in this application form
- I/we declare any documents or information whatsoever used for verification purposes in support of my/our application are complete and correct
- I/we acknowledge that this application form, once signed by me/us, holds me/us to a number of representations and warranties, among other things, relating to matters which the Responsible Entity must seek confirmation of in order to comply with the provisions of the Anti-Money Laundering and Counter-Terrorism Financing Act 2006
- I/we agree to give further information or personal details to Fundhost if it reasonably believes that they are required to meet its obligations under antimoney laundering, counter terrorism or taxation legislation
- I/we declare that the monies I/we am/are investing are not the proceeds of crime, money laundering or connected with the financing of terrorism I/we agree that Fundhost may in its absolute discretion determine not to issue units to me/us, may cancel any units which have been issued to me/us or may redeem any such units if it believes such action to be necessary or desirable in light of its obligations under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006
- I/we will not transfer the units to anyone who does not agree to these things

- none of the units being applied for will breach or result in a breach of any exchange control, fiscal or other laws or regulations for the time being applicable
- I/we agree to indemnify Fundhost and any of its related bodies corporate against any loss, liability, damage, claim, cost or expense incurred as a result, directly or indirectly, of the use of the facsimile withdrawal facility referred to on page 17
- I/we agree to indemnify Fundhost and any of its related bodies corporate against any loss, liability, damage, claim, cost or expense incurred as a result, directly or indirectly, of any of these declarations proving to be untrue or incorrect
- the details of my/our investment can be provided to Icon by the means and in the format that they direct
- in the case of joint applications, the joint applicants agree that unless otherwise expressly indicated on this application form, the units will be held as joint tenants and either investor is able to operate the account and bind the other investor for future transactions, including additional deposits and withdrawals.

**Investor 1**

Name of investor 1:

Signature of investor 1:  Date:  /  /

Tick capacity (mandatory for companies):  Sole Director  Director  Secretary

**Investor 2**

Name of investor 2:

(if joint, both must sign)

Signature of investor 2:  Date:  /  /

Tick capacity (mandatory for companies):  Sole Director  Director  Secretary

**Adviser contact details**

Firm

**Adviser**

Title  Mr  Mrs  Miss  Ms  Other:

Given Names

Surname  ABN:

**Administration contact**

Title  Mr  Mrs  Miss  Ms  Other:

Given name/s:

Surname  AFSL:

Company:

Phone number: (  )  Fax:

Email:

Office address:

State:  Postcode:

Postal address (if different from above):

State:  Postcode:

Please tick

Yes, I would like to receive a copy of my client's confirmation via email.

Yes, I would like to receive GENERATOR® monthly report via email.

Contribution fee due  %

Contribution fee will be charged at 3.3% if this is left blank.

Adviser Signature:

# Direct Debit Savings Plan

A direct debit savings plan is available for investors in GENERATOR<sup>®</sup>. This plan enables you to invest at least \$100 per month into GENERATOR<sup>®</sup>.

Do not complete this form if you are planning to borrow money to invest in GENERATOR<sup>®</sup> from a margin-lending provider.

## Direct Debit Request Service Agreement

The following is your Direct Debit Service Agreement with Fundhost ABN 69 092 517 087. The agreement is designed to explain what your obligations are when undertaking a Direct Debit arrangement with us. It also details what our obligations are to you as your Direct Debit Provider.

We recommend you keep this agreement in a safe place for future reference. It forms part of the terms and conditions of your *Direct Debit Request* (DDR) and should be read in conjunction with your DDR form.

## Definitions

account	means the account held at <i>your financial institution</i> from which we are authorised to arrange for funds to be debited.
agreement	means this <i>Direct Debit Request Service Agreement</i> between you and us.
banking day	means a day other than a Saturday or a Sunday or a public holiday listed throughout Australia.
debit day	means the day that payment by you to us is due.
debit payment	means a particular transaction where a debit is made.
direct debit request	means the <i>Direct Debit Request</i> between us and you.
us or we	means Fundhost, [the Debit User] you have authorised by signing a <i>Direct Debit Request</i> .
you	means the customer who has signed or authorised by other means the <i>Direct Debit Request</i> .
your financial institution	means the financial institution nominated by you on the DDR at which the account is maintained.

## 1. Debiting your account

- 1.1 By signing a *Direct Debit Request* or by providing us with a valid instruction, you have authorised us to arrange for funds to be debited from *your account*. You should refer to the *Direct Debit Request* and this *agreement* for the terms of the arrangement between us and you.
- 1.2 We will only arrange for funds to be debited from *your account* as authorised in the *Direct Debit Request*.

or

We will only arrange for funds to be debited from *your account* if we have sent to the address nominated by you in the *Direct Debit Request*, a billing advice which specifies the amount payable by you to us and when it is due.

- 1.3 If the debit day falls on a day that is not a banking day, we may direct your financial institution to debit your account on the following banking day. If you are unsure about which day your *account* has or will be debited you should ask *your financial institution*.

## 2. Amendments by us

We may vary any details of *this agreement* or a *Direct Debit Request* at any time by giving you at least fourteen (14) days written notice.

## 3. Amendments by you

You may change, stop or defer a debit payment, or terminate this *agreement* by providing us with at least fourteen (14) days notification by writing to:

Fundhost  
PO Box N561  
Grosvenor Place  
NSW 1219

or

by telephoning us on 02 8223 5400 during business hours;

or

arranging it through your own financial institution.

## 4. Your obligations

- 4.1 It is your responsibility to ensure that there are sufficient clear funds available in your account to allow a debit payment to be made in accordance with the *Direct Debit Request*.
- 4.2 If there are insufficient clear funds in your account to meet a debit payment:
  - (a) *you* may be charged a fee and/or interest by *your financial institution*,
  - (b) *you* must arrange for the *debit* payment to be made by another method or arrange for sufficient clear funds to be in *your account* by an agreed time so that we can process the *debit payment*.
- 4.3 You should check your account statement to verify that the amounts debited from your account are correct.
- 4.4 If Fundhost is liable to pay goods and services tax ("GST") on a supply made in connection with this agreement, then you agree to pay Fundhost on demand an amount equal to the consideration payable for the supply multiplied by the prevailing GST rate.

## 5. Dispute

- 5.1 If you believe that there has been an error in debiting your account, you should notify us directly on 02 8223 5400 and confirm that notice in writing with us as soon as possible so that we can resolve your query more quickly. Alternatively you can take it up with your financial institution direct.
- 5.2 If we conclude as a result of our investigations that your account has been incorrectly debited we will respond to your query by arranging for your financial institution to adjust your account (including interest and charges) accordingly. We will also notify you in writing of the amount by which your account has been adjusted.
- 5.3 If we conclude as a result of our investigations that your account has not been incorrectly debited we will respond to your query by providing you with reasons and any evidence for this finding in writing.

## 6. Accounts

You should check:

- (a) with your financial institution whether direct debiting is available from your account as direct debiting is not available on all accounts offered by financial institutions.
- (b) your account details which you have provided to us are correct by checking them against a recent account statement; and
- (c) with your financial institution before completing the *Direct Debit Request* if you have any queries about how to complete the *Direct Debit Request*.

## 7. Confidentiality

We will keep any information (including *your account* details) in your *Direct Debit Request* confidential. We will make reasonable efforts to keep any such information that we have about you secure and to ensure that any of our employees or agents who have access to information about you do not make any unauthorised use, modification, reproduction or disclosure of that information.

- 7.2 We will only disclose information that we have about you:

- (a) to the extent specifically required by law; or
- (b) for the purposes of this agreement (including disclosing information in connection with any query or claim).

## 8. Notice

If you wish to notify us in writing about anything relating to this *agreement*, you should write to Fundhost.

- 8.2 We will notify you by sending a notice in the ordinary post to the address you have given us in the *Direct Debit Request*.
- 8.3 Any notice will be deemed to have been received on the third banking day after posting.

Your Surname or company name:

Your Given names or ABN/ARBN:

"you" request and authorise Fundhost USER ID 364426 to arrange, through its own financial institution, a debit to your nominated account the amount specified below payable by you.

This debit or charge will be made through the Bulk Electronic Clearing System (BECS) from your account held at the financial institution you have nominated below and will be subject to the terms and conditions of the Direct Debit Request Service Agreement.

### Insert the name and address of financial institution at which your account is held

Financial institution name:

Address:

State:  Postcode:

### Insert details of account to be debited

Name/s on account:

Branch number (BSB):       Account number:

### Acknowledgment

By **signing** and/or providing a **valid instruction** in respect to your Direct Debit Request, you have understood and agreed to the terms and conditions governing the debit arrangements between you and Fundhost as set out in this Request and in your Direct Debit Request Service Agreement.

### Payment Details

Amount to debit monthly is:

\$  .  (amount in words)

Signature:

Date:  /  /

(If signing for a company, sign and print full name and capacity for signing eg. director)

Address:

State:  Postcode:





YOUR PARTNERS IN FINANCIAL FREEDOM™

**FREE CALL 1800 000 369**